

By Mr. ROMJUE: A bill (H. R. 12119) granting a pension to Elizabeth Cook; to the Committee on Invalid Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 12120) granting a pension to James W. Hussey; to the Committee on Pensions.

By Mr. SUTHERLAND: A bill (H. R. 12121) to provide for a survey of the Salmon River, Alaska, with a view to the prevention and control of its floods; to the Committee on Flood Control.

By Mr. UNDERWOOD: A bill (H. R. 12122) granting an increase of pension to Julia Ann Kerns; to the Committee on Invalid Pensions.

By Mr. WELSH of Pennsylvania: A bill (H. R. 12123) granting a pension to Julia M. Wark; to the Committee on Pensions.

By Mr. WILLIAMSON: A bill (H. R. 12124) granting a pension to Clara M. Schneider; to the Committee on Pensions.

By Mr. WOLVERTON of New Jersey: A bill (H. R. 12125) granting an increase of pension to Eliza Elwell; to the Committee on Invalid Pensions.

By Mr. ZIHLMAN: A bill (H. R. 12126) for the relief of Ada B. (Gould) Gollan; to the Committee on Claims.

By Mr. BACHMANN: A bill (H. R. 12127) for the relief of Andrew Boyd Rogers; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7190. By Mr. ANDREW: Petition from town of Essex, Mass., urging Congress to acquire and maintain the John Wise House, so called, and some 100 acres of adjoining land located in the town of Essex, to be known as the John Wise national memorial; to the Committee on the Public Lands.

7191. By Mr. CRAIL: Petition of many citizens of Los Angeles County, Calif., favoring increased pensions for Spanish War veterans; to the Committee on Pensions.

7192. By Mr. DEMPSEY: Petition signed by 835 citizens of the city of Niagara Falls, N. Y., urging the early passage of the Kendall bill (H. R. 6603); to the Committee on the Post Office and Post Roads.

7193. By Mr. GARBER of Oklahoma: Petition of citizens of Dubuque, Iowa, in opposition to rivers and harbors bill as reported out of committee; to the Committee on Rivers and Harbors.

7194. Also, petition of Jewelers' Vigilance Committee (Inc.), New York, N. Y.; to the Committee on Ways and Means.

7195. By Mr. KVALE: Petition of 45 residents of Yellow Medicine County, Minn., urging enactment of House bill 1410; to the Committee on Irrigation and Reclamation.

7196. By Mr. MANLOVE: Petition of Charles W. Morgan and 263 other citizens of Onamia, Minn., urging Congress to speedily pass the Manlove bill (H. R. 8976) for the relief of veterans and widows and minor orphan children of veterans of Indian wars; to the Committee on Pensions.

7197. By Mr. SIMMS: Petition of Spanish War veterans of New Mexico, protesting against the use of the word "inmate" to describe a member of the National Home for Disabled Volunteer Soldiers; to the Committee on Pensions.

7198. By Mr. SUMMERS of Washington: Petition signed by M. D. Tewalt, Ernest Johnson, A. M. Masters, George Walters, and other citizens of Benton County, Wash., in support of legislation proposed to increase the pension of Spanish War veterans and widows of veterans; to the Committee on Pensions.

#### HOUSE OF REPRESENTATIVES

SATURDAY, May 3, 1930

The House met at 11 o'clock a. m.

The Rev. Edmund A. Walsh, S. J., vice president Georgetown University, offered the following prayer:

Almighty and Eternal Father, Creator of all things, we pray continuance of Thy sustaining favor so largely bestowed on them that, under Thee, didst erect on this continent a blessed haven for the oppressed and persecuted of all climes. Grant, we beseech Thee, that neither the teeming bounties of the earth nor the fruits of industry nor the gains of trade may ever obscure the Heavenly Giver thereof nor blind our eyes to the inner light of that enduring truth and eternal purpose to which all creation moves. Save us forever from the depths of spiritual degradation to which men and nations sink who wantonly spurn Thy law and ignore Thy revelation. Power and wealth and length of days are from Thy hand, and to that same tribunal must be rendered back for judgment. Teach us—for Thou alone canst teach us—how liberty within equal law does best emancipate, how justice above force worketh unto a peaceful earth, and how temporal power is best measured by its degree of

service to the common good of human kind. Upon the President of the Republic, as upon all other appointed agents of the people here and wherever gathered in discharge of public trust, we invoke the saving light of Thy countenance and the support of Thy grace. A blessing we beseech of Thee in the name of Him whom Thou didst send, Jesus Christ our Saviour. Amen.

The Journal of the proceedings of yesterday as read and approved.

#### SPEECH OF HON. HARRY G. LESLIE, GOVERNOR OF INDIANA

Mr. PURNELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by printing a speech delivered by Hon. Harry G. Leslie, Governor of the State of Indiana, before the chamber of commerce on Wednesday evening last upon the subject of State Control of Local Expenditures—The Indiana Plan.

The SPEAKER. The gentleman from Indiana asks unanimous consent to extend his remarks by printing an address recently delivered by the Governor of Indiana. Is there objection?

Mr. JONES of Texas. Mr. Speaker, reserving the right to object, and I shall not object, would the gentleman mind putting in the Record the speech delivered by the Secretary of Agriculture on the "wild men" of the Senate?

Mr. PURNELL. I am in favor of it, but I would not want to ask consent to do that.

The SPEAKER. Is there objection?

There was no objection.

Mr. PURNELL. Mr. Speaker, under the leave granted me to extend my remarks in the Record I include a speech delivered by the Hon. Harry G. Leslie, Governor of the State of Indiana, before the midyear dinner of the National Association of State Chambers of Commerce, held at the Washington Hotel in Washington, D. C., on Wednesday evening, April 30.

The speech is as follows:

#### STATE CONTROL OF LOCAL EXPENDITURES—THE INDIANA PLAN

The subject assigned me for discussion involves and is directly connected with the problem of taxation, which is universally recognized as our country's greatest economic problem. I assume I shall not be expected to enter into a discussion of the fundamentals of this greatest science of government, nor to discuss at any considerable length the intricacies involved in its administration. I assume I shall be expected to confine my discussion to the Indiana plan of State control of local expenditures in the few minutes I am to occupy your time.

A very brief account of our experiences in Indiana should be somewhat interesting and would probably reflect the experience of some of the other States represented in this presence.

Some years ago Indiana, as well as some other States, realized the great danger in permitting the cost of our government in many of our subdivisions becoming so excessive in many instances as would largely confiscate the income of our people.

Investigation disclosed there were many taxing units in our State where the grossest sort of mismanagement and extravagance were being practiced and many of our poorer units of government were being subjected to real hardship as a result of unwarranted public expenditures due to exaggerated ideals of appropriate public improvements and excessive costs of administration because of inexperienced and incompetent local officials.

We realized fully the inclination of many taxing officials to expend public funds generously, and further appreciated that every dollar so expended for all public purposes must be met by the citizens going into their pockets privately and meeting the bill through some system of taxation.

We further realized the great difficulty of any division of government, whether it be National, State, or a local subdivision in maintaining the loyal and patriotic support of its subjects if the burden of the cost of their government reached the point of excess and real hardship.

In view of the major portion of the cost of government being local in its character, the great need of some influence to control local expenditures was readily recognized.

Through legislative enactment a law was passed centralizing authority over local expenditures, giving the State tax commission the right and responsibility to pass upon local tax levies to be made as well as proposed local bond issues for public improvements.

The law as first enacted requiring the tax commission to pass upon these questions of local concern was unpopular in that it was considered an interference with and a violation of the rights of local control and local self-government.

It must be agreed in the final analysis that bonds issued by any municipality for public improvements or any other purpose amount simply to a tax levied for a term of years, as the maturities of bonds and the interest thereon must be met through levies made for that purpose each year for the number of years for which the bonds are issued until finally retired.

You should be interested in knowing that due to the unpopularity of this principle that at a subsequent session of our legislature this statute was repealed, and you should be further interested in knowing that during the year immediately following the repeal of this law the cost of local government in our State was increased from \$75,615,798 to \$111,459,765, or an increase of 47.5 per cent, or, in other words, an increase of approximately \$36,000,000.

This increase in the cost of our local government was so startling and impressive that it was recognized as imperative that some relief and protection must be afforded the taxpaying public.

A statute was then devised, generally known as our budget law, providing that taxing officials must give the taxpaying public notice through publication of the amounts proposed to be expended for various specific governmental purposes. This law also provided that the notice should set out a time and place for public hearing at some reasonably convenient point to the taxpayers of the unit involved, at which time free and open public discussion should be had of the expenditures proposed for certain specific purposes, as set out in the notice. This law also provided that no levy should be made which when applied to the value of all the property of the unit involved would raise more money than the total amount of the budget adopted for this purpose.

A statute was also enacted providing that when 10 or more property taxpayers felt themselves aggrieved by the action of the local taxing officials in proposing to expend more money for any purpose than in their opinion their government economically administered would require, such taxpayers might appeal from the action of the local taxing officials to the State tax commission, whose duty it was to set a date for a formal hearing and determine the merits of the controversy as to whether local officials were proposing extravagant practices or otherwise.

Another provision of this law was to the effect that whenever public improvements of any kind were proposed for which local bonds of the municipality affected were to be issued, notice of such intention to issue bonds setting out the specific purpose for which the funds should be used and the character of the improvement must be given to the taxpayers by publication, and if, in their opinion, such proposed expenditure was unwarranted or excessive and extravagant, the same right of appeal from the action of the local officials was provided as was in the case of proposed tax levies.

Under the provisions of this law the tax commission is empowered only to affirm the proposed action of local taxing officials, reduce the amount of the proposed expenditures for which bonds are to be issued, or make such reduction in the levies proposed for local purposes as is in their judgment consistent with the needs of the unit involved, or deny the bond issue proposed in its entirety, but under no circumstances under our law is the tax commission authorized to increase a proposed public expenditure through bond issues or local tax levies.

You will observe that under the terms of this law the tax commission is wholly without any original jurisdiction in the matter of local control, and only acquires such jurisdiction or control by the affirmative action of the property taxpayers who must pay the bill and who feel themselves aggrieved by the action of the local officials.

You will also observe that the provisions of this law do not in any way transgress, violate, or interfere with the rights of home rule, but is an enlargement of this principle to the point of extending the right of appeal to the requisite number of interested taxpayers who must pay the bill and who feel aggrieved at the action of local officials in their practice of either extravagance or incompetence.

The question has been raised by the opponents of this law as to the constitutional right of the legislature to delegate this authority to the tax commission. In passing upon this question in a well-considered case our Supreme Court said among other things: "This court has decided that such power and authority can be delegated to the State board of tax commissioners by the general assembly, and that such a statute is not unconstitutional."

During the eight years this law has been operating in our State there have been reductions in proposed bond issues and local tax levies by the tax commission in the sum of approximately \$80,000,000, as a direct saving to our local units of government. However, in my opinion, by far the greatest value of this law to our people has been through its intangible or indirect influence by reason of its existence as a deterrent to extravagant practices, and I believe it to have saved in this respect many times more than the \$80,000,000 to which I have just referred.

Our policy in Indiana is to employ the same standards of good business practices in the administration of public affairs that are employed in the administration of well-regulated and successful private business enterprises.

Strange as it may seem, through political and other local influences, this practice is not approved by many of our local politicians of both the major parties, who believe in the principle, "To the victor belong the spoils."

The State tax commission, a nonpartisan body, is far removed from political or other local influences of the communities affected, and the members are selected with due regard for their honesty, integrity, and business capacity. Its members in the past have been some of our most outstanding patriotic and capable citizens, who have reflected signal credit upon our State through their wise administration.

I would not be giving credit where credit is due if I did not advise you that much of the successful achievement of the Indiana plan of tax supervision has been due to the intelligence and honesty of those who have been charged with its administration. Through the years Indiana has been particularly fortunate in the type of men who have been members of this commission. Broad-minded and public-spirited, they have yet been mindful of public need but careful of public expenditure. As a result of this policy, the tax-rate increase in Indiana through a period of soaring tax-rate increase has been remarkably retarded.

They are provided with competent engineers for their guidance in advising them as to reasonable costs of the various public improvements with which they come in contact. The services of these schooled and skilled engineers are furnished wholly without cost to the taxpayers of the local units appealing to the State tax commission.

I believe the Indiana plan of State control of local expenditures, more than any other, realizes and exemplifies the practical operation of the principle of home rule in the control of local budgets, tax levies, and bond issues, which are the basis of taxation. The origin of this control is with the interested taxpayers, who must pay the bill.

It gives the taxpayer opportunity for intelligent understanding of the processes of his government and the necessity thereof, and thereby makes of him a more loyal and patriotic supporter thereof. It affords the taxpayer an opportunity to oppose unwise, imprudent, and extravagant administration of his government. It affords the people more intimate connection and more definite understanding of the most vital function of their government, which is taxation. It creates in the taxpayer a greater and more definite interest and a fuller realization of his responsibility of citizenship.

This right of State control of local expenditures was never intended to impose parsimonious restraint in the matter of wise or necessary expenditures for needed public improvements. Its results have been to procure more nearly value received to the taxpayers for public money expended for public purposes.

In closing may I again urge upon you that the success of any taxing system is largely dependent upon the type of men selected for its administration? These must be men whose honor and integrity are unquestioned and whose belief in the system they are to administer amounts to almost a religion.

#### REFERENCE OF A BILL

Mr. FINLEY. Mr. Speaker, I ask unanimous consent that H. R. 11231 be rereferred from the Committee on Rivers and Harbors to and be considered by the Committee on Flood Control.

The SPEAKER. Will the gentleman state to the Chair that he has conferred with the chairmen of these committees?

Mr. FINLEY. I have conferred with both chairmen.

The SPEAKER. The gentleman from Kentucky asks unanimous consent that House bill 11231 be rereferred from the Committee on Rivers and Harbors to the Committee on Flood Control. Is there objection?

Mr. RANKIN. Mr. Speaker, reserving the right to object, has the gentleman conferred with the ranking minority members of those two committees?

Mr. FINLEY. No; I have only conferred with the chairmen of the two committees.

Mr. RANKIN. Until the gentleman confers with the ranking Democrat on both committees, I will object for the time being; but I will not object if they agree to this request.

#### THE TARIFF

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 1128.

The SPEAKER. Without objection, the amendment will be considered as having been read and printed in the RECORD.

There was no objection.

The amendment is as follows:

#### SEC. 321. EXPORT DEBENTURES

(a) Whenever the board provided for in the agricultural marketing act approved June 15, 1929, finds it advisable, in order to carry out the policy declared in section 1 of said agricultural marketing act, with respect to any agricultural commodity, to issue export debentures with respect to such commodity, said board shall give notice of such finding to the Secretary of the Treasury. Upon the receipt of such notice it shall be the duty of the Secretary of the Treasury, commencing and terminating at such time as the board shall prescribe, to issue export debentures to any farmer, cooperative association, stabilization corporation, or other person with respect to such quantity of the commodity or any manufactured food product thereof or any product manufactured from cotton or tobacco, if the cotton or tobacco out of which it is manufactured if exported in the raw material would have been entitled to receive a debenture therefor, as such person may from time to time



export from the United States to any foreign country. The export debenture shall be in an amount to be computed under the direction of the Secretary of the Treasury, in accordance with such regulations as he may prescribe, at the debenture rate for the commodity or product that is in effect at the time of exportation. Any such computation shall be final.

(b) In order to procure the issuance of an export debenture, the farmer, cooperative association, stabilization corporation, or other person shall, in accordance with such regulations as the Secretary of the Treasury may prescribe, make application for such debenture and submit satisfactory proofs either (1) that the commodity to be exported was produced in the United States and has not previously been exported therefrom, or (2) that the commodity used in making the manufactured food product or any product manufactured from cotton or tobacco if the cotton or tobacco out of which it is manufactured if exported in the raw material would have been entitled to receive a debenture therefor, to be exported was produced in the United States and the agricultural commodity and the manufactured food product or any product manufactured from cotton or tobacco if the cotton or tobacco out of which it is manufactured if exported in the raw material would have been entitled to receive a debenture therefor, have not previously been exported therefrom.

(c) An export debenture, when presented by the bearer thereof within one year from the date of issuance, shall be receivable at its face value by any collector of customs, or deputy collector of customs, or other person authorized by law or by regulation of the Secretary of the Treasury to perform the duties of collector of customs, in payment of duties collectible against articles imported by the bearer. Title to any export debenture shall be transferable by delivery. In order to prevent any undue speculation in the handling of such export debentures, the Secretary of the Treasury is authorized and directed, under such rules and regulations as he may prescribe, to provide for the redemption of such export debentures from any money in the Treasury derived from the payment of duties collectible against articles imported into the United States at a rate of not less than 98 per cent of the face value of such export debentures.

(d) Debenture rates in effect at any time with respect to any agricultural commodity shall be one-half the rate of duty in effect at such time, with respect to imports of such commodity, except that so long as no import duty is imposed on cotton the debenture rate thereon shall be 2 cents per pound. The debenture rate in effect at any time with respect to any manufactured food product of any agricultural commodity or any product manufactured from cotton or tobacco if the cotton or tobacco out of which it is manufactured if exported in the raw material would have been entitled to receive a debenture therefor, shall be an amount sufficient, as nearly as may be, to equal the debenture that would be issuable upon the exportation of the quantity of the agricultural commodity consumed in the manufacture of the exported manufactured food product, or any product manufactured from cotton or tobacco if the cotton or tobacco out of which it is manufactured if exported in the raw material would have been entitled to receive a debenture therefor, as prescribed and promulgated from time to time by said board.

(e) Regulations requiring that metal tags or other appropriate markings be placed on all bales of cotton produced in foreign countries and allowed transit through the United States for exportation may be prescribed by the Secretary of the Treasury. Every person who violates any such regulation of said board shall be liable to a civil penalty of \$100 for each such offense. Such penalty may be recovered in a civil suit brought by said board in the name of the United States.

(f) The Secretary of the Treasury shall prepare and issue all export debentures. Export debentures issued under authority of this act shall be obligations of the United States within the definition in section 147 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909, as amended (U. S. C., title 18, sec. 261).

(g) Any person who shall make any false statement for the purpose of fraudulently procuring, or shall attempt in any manner fraudulently to procure, the issuance or acceptance of any export debenture, whether for the benefit of such person or of any other person, shall be fined not more than \$2,000 or imprisoned not more than one year, or both.

(h) In order to prevent undue stimulation in the production of any debenturable agricultural commodity, whenever said board finds that the production of any debenturable agricultural commodity during any crop year has exceeded the average annual production of such debenturable agricultural commodity for the preceding five years said board shall by proclamation prescribe that during the next succeeding year the export debenture rates for such commodity shall be reduced by the percentage hereinafter fixed. Such reductions shall become effective on the date fixed in such proclamation, not less than 60 days from the date of the issuance thereof, and shall remain in effect throughout such succeeding crop year. The term "crop year," as used in this section, means a 12 months' period beginning at a time designated by said board.

Reductions in debenture rates under this section shall be made in accordance with the following percentages:

(1) For an increase in production of less than 20 per cent, there shall be no reduction.

(2) For an increase in production of 20 per cent but less than 40 per cent, there shall be a reduction of 20 per cent.

(3) For an increase in production of 40 per cent but less than 60 per cent, there shall be a reduction of 50 per cent.

(4) For an increase in production of 60 per cent but less than 90 per cent, there shall be a reduction of 75 per cent.

(5) For an increase in production of 90 per cent or more, there shall be a reduction of 99 per cent.

Mr. HAWLEY. Mr. Speaker, I move that the House further insist on its disagreement to Senate amendment No. 1128.

The SPEAKER. The gentleman from Oregon moves that the House further insist on its disagreement to Senate amendment No. 1128.

Mr. HAWLEY. Mr. Speaker, pending that motion, I ask unanimous consent that the time for general debate be limited to two hours, one-half to be controlled by the gentleman from Mississippi [Mr. COLLIER] and one-half by myself.

The SPEAKER. Pending that motion, the gentleman from Oregon asks unanimous consent that the time for general debate on this amendment be limited to two hours, one half to be controlled by himself and the other half by the gentleman from Mississippi [Mr. COLLIER]. Is there objection?

Mr. GRIFFIN. Mr. Speaker, reserving the right to object, the division proposed seems to be purely a political one. The time is divided between the member of one party on one side and the member of the other party on the other side, without regard to the main issues and as to their attitude on the debenture proposition.

It seems to me that on a question as important as this the time ought to be divided with some regard to the attitude of the Members on the question. It seems to me a certain amount of time ought to be allowed upon each side against the proposition.

Mr. HAWLEY. We have been proceeding so far on this plan: On this side of the House I have given half the time to those who are for the motion and half of the time to those who are against any motion I may have made. The gentlemen on the other side have proceeded in the same way, giving half the time—if there was a sufficient number asking for time—to those who are for and those who are against, so in that way the opposition on both sides is provided for.

Mr. COLLIER. If the gentleman will permit right there, on one amendment I gave nearly one-half of my time to those on the majority side and they differed from me in their views on the amendment. We have tried to be fair about it.

Mr. GRIFFIN. I will say to the gentleman that I noticed that yesterday in the allotment of time—that the gentleman from Mississippi threw a part of his time over on the other side of the aisle. I am informed to-day by the gentleman to whom the time is to be allotted on our side that he has made no arrangement for any allotment of time to those opposed to the debenture plan.

Mr. HAWLEY. The gentleman from Mississippi can answer that for himself, but I am sure he will say that on his side he will give half of the time to those opposed to the debenture plan.

Mr. COLLIER. We are for the debenture plan over here.

Mr. Speaker, reserving the right to object, and I shall not object, I would like to propound a few inquiries to my good friend from Oregon. In the first place, out of the generosity of his heart, which is very big, I am going to ask him if he will not extend the time from 2 hours to 2 hours and 20 minutes and give us 10 minutes more on the side. We have had a number of requests from both sides of the House for two or three minutes. This has been a long debate and all the Members would like to get their views in the Record. Can the gentleman give us 20 minutes more?

Mr. HAWLEY. Then I modify my request, Mr. Speaker, and ask that the time be fixed at 2 hours and 20 minutes, to be divided as already stated.

The SPEAKER. The gentleman from Oregon asks unanimous consent that time for debate upon this amendment be limited to 2 hours and 20 minutes, one half to be controlled by himself and the other one half by the gentleman from Mississippi [Mr. COLLIER]. Is there objection?

Mr. COLLIER. Mr. Speaker, I knew I was going to have that request granted, because I have never appealed to the generosity of the gentleman from Oregon in vain. Now, a great many Members want to know the order of procedure. I know it personally because I have talked over the phone with the gentleman from Oregon. Does the gentleman intend to conclude the consideration of the conference report to-day?

Mr. HAWLEY. Yes.

Mr. COLLIER. A number of the Members have asked me that question. There is one other matter and then I am through. May I ask the gentleman from Oregon to so amend his motion that on this amendment all the time allotted to the minority side may be given to the gentleman from Washington [Mr. HILL], who will have charge on our side. I will ask the gentleman to change the name COLLIER to that of HILL.

Mr. HAWLEY. I have no objection to that.

Mr. CHALMERS. Mr. Speaker, reserving the right to object, I did not hear a fair answer to the question of the gentleman from New York [Mr. GRIFFIN] as to a fair division of the time on that side. I would like to know about that.

Mr. GRIFFIN. The request has been modified so as to increase the time to 2 hours and 20 minutes.

Mr. CHALMERS. I understand that.

Mr. HILL of Washington. Mr. Speaker, I ask unanimous consent that of the time allotted to the Democratic side and under my control I may be permitted to allot to the gentleman from New York [Mr. CULLEN] 20 minutes, to be allocated as he may see fit.

The SPEAKER. If the substitute unanimous-consent request prevails, the gentleman would have that right.

The gentleman from Oregon now asks unanimous consent that the time be limited to 2 hours and 20 minutes, one half to be controlled by himself and one half by the gentleman from Washington [Mr. HILL]. Is there objection?

Mr. LaGUARDIA. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Oregon if sufficient time will be allowed in the debate on the flexible provision of the tariff bill?

Mr. HAWLEY. I anticipate three hours will be allowed on the Tariff Commission amendment and the flexible tariff amendment, because they are one general subject.

Mr. LaGUARDIA. Yes; that is satisfactory.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. HILL of Washington. Mr. Speaker, I offer a preferential motion.

The SPEAKER. The gentleman from Washington offers a motion, which the Clerk will report.

The Clerk read as follows:

Mr. HILL of Washington offers the following:

I make the preferential motion that the House recede from its disagreement to Senate amendment No. 1128 and concur in the same.

The SPEAKER. The gentleman from Oregon is recognized for 1 hour and 10 minutes and the gentleman from Washington for 1 hour and 10 minutes.

Mr. HAWLEY. Mr. Speaker, I intend to speak very briefly on this subject. It has been debated for several years in the House, and the House has expressed a uniform conclusion against the proposal.

I have brief comments to make. In general, the debenture proposal of the Senate provides for the issuance of debentures under the provisions of the section, equal in amount to one-half of the duty imposed by the then existing tariff law. These debentures can be used at the customhouse in the payment of customs duties, or if the debentures outstanding at time are not used for this purchase and the value of them depreciates, the Secretary of the Treasury is directed to redeem them at not less than 98 per cent of their value.

Under existing treaties between this country and foreign nations, goods exported under the debenture would be subject to countervailing duties, and the general result would be, according to the figures of the Tariff Commission recently computed, based upon the rates in the pending bill and the amount of production for the last year, that this would cost the Treasury the sum of \$280,000,000. Foreign nations taking advantage of the countervailing provisions in their law would exact from those exporting debentured articles \$280,000,000, thus transferring it from the Treasury of the United States to the treasuries abroad.

That would lead probably to an increase in public taxation to meet the requirements of the situation and place an additional burden on our people. The result would then be that we, in effect, would levy taxes upon our people to be paid in the exchequers of other nations. Moreover, after very careful consideration of this proposal, I can not see that it will result in any benefit to our farmers. It violates one of the most distinctive features of the pending bill in that we have provided for the stimulation of the production of deficiency crops to take the place of the surplus crops, so that the farmers instead of growing large surplus crops will grow crops of which we do not raise enough for our requirements, thus using a very large acreage for this purpose that would otherwise be used in raising excess crops.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. HAWLEY. I yield.

Mr. SUMNERS of Texas. Will the gentleman indicate what additional crop agriculture would turn to?

Mr. HAWLEY. A great many forage crops used by the dairy people and various other crops, a list of which I do not have time to present now. It would absorb a considerable acreage now used in producing surplus crops. [Applause.]

Mr. Speaker, in order to meet agreements with other Members I reserve the balance of my time.

Mr. HILL of Washington. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, ladies and gentlemen of the House, we are presenting to you to-day a test as to whether you are to redeem your pledges to the farmers of this country or whether you are to disregard those pledges.

The debenture is a protective provision. In order to enable the farmers to receive the benefits under the protective tariff on a commodity two things are necessary: First, the farmers must control the market of the commodity; and, second, the commodity must not be produced in such quantities as to carry a substantial export surplus.

We have a great many tariff duties in this bill on farm commodities. Many if not all of these duties will be ineffective unless under the agricultural marketing act the farmers can organize in a cooperative capacity to control the market of such commodities.

Personally I am gratified at the progress that is being made by the Federal Farm Board in bringing about local, regional, and national cooperative associations among the farmers. When they have completed this work, when they have so enabled the farmers to organize that they will be in control of not only the local markets but the terminal markets as well, then they will be in such control of the markets as will make the tariff effective on the dutiable farm products grown in this country and of which there is no substantial exportable surplus.

There are, however, certain standard crops in the country of which an exportable surplus is produced which will receive no protection from tariff duties laid upon them.

We have at this time a tariff of 42 cents a bushel on wheat, one of the largest crops of this country and of which we export about 25 per cent of the production. The tariff duty is ineffective. Regardless of what the statistician may say, the farmers know and you know and I know that the tariff on wheat is ineffective.

Now the same situation occurs with reference to tobacco and cotton. There is no protective tariff on cotton. This debenture provision provides protection for cotton, which can not have any protection from a tariff duty. No effort has been made to give it protection except as to long-staple cotton, but we come here and ask you to adopt this provision in order to give this large staple crop which carries an exportable surplus the benefit of protection.

If the industrial associations of this country had not been able to organize and had not been able to control the market for their products, the tariff on manufactured products would also be unavailing. But, fortunately for them, they have their trade associations and organizations. They can control the flow of their products to the market and can fix the market price of their products. Hence, they receive protection from tariff duties. We are asking the same thing for these agricultural commodities which do not now receive any benefit under this protective policy.

Mr. CLARKE of New York. Mr. Speaker, will the gentleman yield?

Mr. HILL of Washington. Yes.

Mr. CLARKE of New York. Is not exactly the same privilege afforded the farmers, the producers, of this country under the cooperative marketing act, when they are willing to evidence enough interest in the commodity they produce, by joining a cooperative and then through the Farm Board get the protection they are entitled to, with \$500,000,000 of Federal money now appropriated for that definite purpose?

Mr. HILL of Washington. When they have organized they can control their markets, yes, but they do not get any protection because surpluses must go abroad and the price is fixed in the markets abroad.

Mr. CLARKE of New York. Then, if they are not willing to evidence enough interest in the commodity they produce, and in their own proposition, why should they expect the Federal Government to do something for them that they are unwilling to do for themselves?

Mr. HILL of Washington. They expect the Federal Government to give them protection that will protect, and that is the thing that has been done for the industrial interests of the country. [Applause.]



It does not make any difference whether it is a bonus or a tariff duty, they are entitled to protection, and they can not get it under the tariff duty, and hence we are demanding it under the export-debenture provision. We simply ask for protection. I do not care whether it comes in the form of a tariff duty or in some other form, but it has been demonstrated and everyone who has studied the question from the standpoint of the farmer knows that he can not get protection under the tariff duties. I am talking now, of course, about those crops that export large surpluses to foreign markets, where the price is fixed for those commodities. To you men who are here from the agricultural districts I appeal. I earnestly ask you to stand up for the interest of your districts and vote for this export debenture. The big business interests of this country themselves recognize the fact that the farmers can not get protection under the tariff duties under the conditions that I have detailed, and in a report issued in 1927 by the Business Men's Commission on Agriculture and published under the auspices of the Chamber of Commerce of the United States and the National Industrial Conference Board of New York that fact is recognized.

I desire to quote some extracts from that report which I find are pertinent to the discussion of the export-debenture provision of the tariff act. On page 15 of the report we find the following:

As has been said, the country can not march with one leg crippled. It is too clear for argument that the farmer can not be counseled to cut down his man power or soil capacity in order that he may escape the dangers of his own achievement and survive the consequences of his own success. It is equally clear that if the farmer is advised and urged in the public interest to carry his opportunities to the highest point of development, then it must be for that public, through its government or otherwise, to devise some method for his ultimate security. Some means must be found to ameliorate the consequences of destructive crop surpluses and disastrous price fluctuations.

I quote again from page 7 of the report, as follows:

It may be admitted that the triumphs which the Department of Agriculture has achieved since its organization in furthering and protecting the pursuit of agriculture are quite equal to those of the Department of Commerce in the promotion of industry and business. The pursuit of agriculture, however, has at no time enjoyed protection such as was extended from the very beginning to commerce and industry through national legislation. It was, therefore, long after the natural evolution of economic relations had been shifted—even dislodged—by direct legislative interference that we came to suspect the inevitable effect upon the system as a whole. Only now have we come to recognize the need of more equitable conditions if agriculture is to sustain its position of relative importance in the entire system.

From page 11 of said report I quote again:

If agitation for price-fixing legislation is to be avoided, may it not become necessary to revise our economic policy? If we are unwilling or unable to do that, will we not be challenged to find for the farmer an economically true equivalent of industrial protection? Is it not obvious that for agriculture in years of abundance protection alone can not operate successfully? If, then, the policy of protection is to stand, the pressure for like protection, although by varying measures, for the whole people's activities would seem to be altogether natural. It is assumed, therefore, that no consideration of the farmer's problem can be adequate without a discussion of the tariff policy in its bearings upon the prosperity of the entire Nation.

I desire also to call your attention to the following statements found on page 170 of the report in connection with the discussion as to what our protective policy has done toward the stimulation and development of manufactures in this country:

This policy was wise, and it was successful. It enabled us to develop what is perhaps the greatest industrial system in the world, but it inevitably reduced the relative importance of agriculture in our national economy. The great question of the future, in the view of this commission, is whether this policy has not fully served its purpose and whether, indeed, it has not been pushed so far as to endanger the balance between agriculture and industry and so warrant such readjustment as may distribute its advantages and its burdens more fairly. In answering this question there are three distinct aspects of the tariff problem to be considered: First, the influence of tariff and trade restrictions upon the extent of the foreign market for farm products; second, their influence upon the domestic market for farm products; and third, their influence upon production costs in agriculture.

I find another statement in that report, on page 16, that describes in apt phrase the treatment which agriculture has received under our national economic policy. The members of the investigating commission say:

They have seen and heard the real farmer, and they are in no danger of sharing the patronizing sympathy which is so liberally broadcast for the farmer's consumption. On the contrary, they feel that the farmer's cause is their own from both the humanitarian and the eco-

nomic point of view. They are forced to the conclusion that the accepted economic measures do not fit, at least do not cover the farmer's case; and that this situation presents a new challenge to economic and political advisers that can not be evaded or met with slogans. Agriculture has been given an abundance of surface treatment, and too often offered something like first-aid doles to allay the rising suspicion of the toiler on the land.

This commission even outlined in this report the very bill that we have now as the agricultural marketing act, for the purpose of stabilizing the price in this country, in the home market. But the agricultural marketing act does not purport to, and can not, stabilize prices fixed in Liverpool and in the outside world.

The protective policy of this country is claimed and has been used as the exclusive privilege and property of the industrial interests of the country. It started out as a protective policy for them, and they feel that it is their exclusive right and privilege, and every inch of advance that agriculture has made in order to get protection has been fought bitterly by every resource and power that the industrial interests could bring against it.

This is in line with the attitude of the manufacturing interests since the beginning of the protective tariff policy in withholding the benefits of that policy from other interests. In this connection I call attention to an article that appeared in the Century Magazine in the issue of May, 1928, written by William E. Dodd on the subject "Shall Our Farmers Become Peasants?" Mr. Dodd called attention in that article to a letter written by one Abbott Lawrence, a business man of Massachusetts, about 1828, the letter being addressed to Daniel Webster, in which he stated, in effect, that if the then pending tariff bill should be adopted it would keep the South and West in debt to New England for a hundred years. That prophecy came true. We even find evidence that they are not willing to let the policy spread out over the entire country to embrace all manufacturing industries. They want to confine it to certain sections of the country, and make it impossible to protect the industries of various other sections of the country. We had an illustration of that yesterday, and the very men who stand here as the sponsors of the protective policy, when they get outside of their own particular interests and sections of the country are against protection. They are for protection for themselves and for free trade for the rest of the country and the world. They are especially opposed to protection for agriculture. That is not a wholesome policy, and we are here to-day demanding that you come to the rescue of the farmers of this country. There are about 30,000,000 farm people in this country, about 10,000,000 of whom are voters, and they are so distributed over the country that they control the elections in practically 80 per cent of the congressional districts of the country. They are awake, you are not fooling them. You may vote export debenture down to-day, but others will succeed you here who will vote it up. The farmers know that they are not getting a square deal, and my good friend from Iowa [Mr. RAMSEYER], in his speech of an hour and a half on last Wednesday setting up an alibi as to why he would not vote for this export-debenture provision, is not putting anything over the farmers. If I know anything about the mentality and temper of the farmers of this country they will know that he is placing the expediency of loyalty to party organization above the vital interests of the farmers.

Mr. COLE. Mr. Speaker, will the gentleman yield?

Mr. HILL of Washington. No; I have not the time. He put in an hour and a half laying the foundation for his alibi, and then said that he would not support the export-debenture provision because it is opposed to the President's plan of farm relief under the agricultural marketing act. That is the effect of what he said. But the agricultural marketing act is not a protective measure, it is a marketing act. It simply proposes to put the markets in the control of the farmers, stabilize the prices in this country. It gives them no protection as against the prices fixed in the outside world. The same interests that are now opposing the export debenture are also trying to break down the agricultural marketing act and the work of the Federal Farm Board.

The marketing act is a necessary basis for the effective operation of the export debenture in the interest of the farmers. The two measures supplement each other. They are not antagonistic. You will recall that when the agricultural marketing act was being considered by the Congress no opposition was expressed to it by the nonproducing dealers in agricultural commodities. On the other hand they rather encouraged the legislation. They believed then that the act, if passed, would not be workable because they believed that it would be impossible to so organize the farmers as to make it effective. They have now discovered that it is working and that it is working effectively. They have, therefore, set up a great cry of distress. The grain and cotton exchanges and dealers in other

agricultural commodities petitioned the Chamber of Commerce of the United States to pass resolutions condemning the agricultural marketing act and demanding its repeal. If you have followed the proceedings in the Chamber of Commerce of the United States during its convention this week as reported by the newspapers you will have observed the efforts made to have such act discredited. In this connection I quote the following from the Washington Post of May 1, 1930:

#### ALLEGATION BY BARNES

The business survey chairman said he believed a "great marketing structure was being steadily undermined" by present policies. Earlier, under a 5-minute rule of discussion, members of the chamber representing various industries had voiced condemnation of the marketing act and urged the chamber to take steps for its repeal or modification.

W. C. McCabe, of Duluth, representing the grain exchange and dealer trade, contended the act had visited more ills upon his industry than any other business.

"The independent grain merchant can not hope to meet this situation," McCabe said. "It is the ruination of his business. It is unfair and un-American and we demand that the marketing act be modified."

#### GOVERNMENT INTERFERENCE HINTED

Harrison Jones, Chicago, said he represented poultry, butter, and egg merchants who handled a commodity having an aggregate farm value of about \$4,000,000,000. He urged a "policy of modification whereby American citizens may remain in business without outlawry by Government interference."

Likewise criticizing the act, W. F. Jensen, of Chicago, representing the American Association of Butter Manufacturers, said his industry recognized the right of producers to cooperate, but believed "that genuine cooperation comes from the heart and not from subsidies or legislative force."

Representatives of the coal and woolen industries also asserted the marketing act was injuring their business through putting the Government in competition with private concerns.

The enemies of the marketing act succeeded in securing from the Chamber of Commerce of the United States the desired resolution condemning such act. The particular resolution referring to the agricultural marketing act is as follows:

The anticipated benefits to the farming interests as a whole have not been realized. On the contrary, there has been impairment of the marketing structure and prevention of support which otherwise would have been given to the marketing of agricultural products which were affected by the use of public moneys. Without benefit to agriculture, there has been imposed unbearable hardship upon business enterprises unable to maintain their position against discriminatory competition from the Government.

We accordingly express our continued opposition to the use of Government funds in providing capital for the operation of agricultural cooperatives, and for the buying and selling of commodities for the purpose of attempted stabilization.

The interests that are now seeking to discredit the agricultural marketing act are opposed to any legislation that will benefit agriculture. Of course, they are opposed to the export debenture provision in this bill and are the sources of the opposition to the provision in this House to-day.

The National Grange of this country is supporting this measure for the export debenture. They are supporting it unanimously, and they reach throughout the entire continental United States. They have their eyes upon this Congress to-day and will know whether you have shown your colors and come to their standard and protected their interest, or whether you have betrayed that interest. I appeal to you to-day in the interest of agriculture and of economic conditions all over this country to give this relief to the farmer that he may by virtue thereof and the aid of the agricultural marketing act be placed on a parity with other industries. [Applause.]

Mr. HAWLEY. Mr. Speaker, I yield 10 minutes to the gentleman from Connecticut [Mr. TILSON].

The SPEAKER. The gentleman from Connecticut is recognized for 10 minutes.

Mr. TILSON. Mr. Speaker, for more than a year Congress has worked assiduously in either one branch or the other on the tariff bill. It has now well-nigh reached the final stage. To my mind the vote on this amendment to-day practically determines whether or not our labor has been in vain—that is, whether or not we shall have a tariff bill at all. In my opinion if the so-called debenture provision remains in the bill it will never become a law.

Some question has been raised as to the attitude of the President toward the debenture plan. Of course, no one is authorized or pretends to be authorized to speak for the President. He speaks for himself. A year ago, however, he wrote a very strong letter addressed to Senator McNARY, chairman of the Committee on Agriculture in the Senate, in which he gave at some length his views in opposition to this plan. A few days

ago, having received inquiries from a number of my colleagues as to whether or not I knew of any change of views on the part of the President in relation to this question, I addressed an inquiry to him, and in response he sent the following letter:

THE WHITE HOUSE,  
Washington, May 1, 1930.

The Hon. JOHN Q. TILSON,

House of Representatives.

MY DEAR MR. TILSON: I have your letter of inquiry as to whether I see any reason to change the views which I expressed on April 20 last year upon the so-called debenture plan introduced by the Senate into the tariff bill. I do not.

Some minor alterations have been made in the plan which do not go to the essential fact that the practical working of it will depress and not elevate prices to the farmer. The plan in the present bill presents an additional objection in that the export subsidies proposed vary with different agricultural products and thus are widely different to different farmers. They vary from about 9 per cent upon the cost of production of rye to apparently near 100 per cent on tobacco. In the latter case growers could apparently afford to raise their product and export it for the subsidy alone.

Since my previous statement the Tariff Commission has estimated the cost of the plan to the Treasury, if put into operation and on the basis of present exports, at about \$280,000,000 per annum.

Yours faithfully,

HERBERT HOOVER.

The amount that this plan would cost the Treasury is, you will note, as stated by the gentleman from Oregon in his opening remarks, \$280,000,000 per annum.

What did the President state in the letter of April 20 of last year? I shall read some extracts, as follows:

I am aware of the arguments put forward in favor of the plan by some of our agricultural organizations, and the arguments of other farm organizations in opposition to it. The proposers advance it in the utmost good faith and earnest desire to assist in solution of a great problem, and I regret deeply that I can not agree that this provision would bring the results expected. On the contrary, I am convinced that it would bring disaster to the American farmer.

The weakness of the plan as set forth in the Senate bill may be summarized as follows:

1. The issue of debentures to export merchants and their redemption in payment of import duties amounts to a direct subsidy from the United States Treasury. If the plan proposed be generally applied it would cost in excess of \$200,000,000 a year, as it would decrease the Treasury receipts by such an amount.

5. Although it is proposed that the plan should only be installed at the discretion of the Farm Board, yet the tendency of all boards is to use the whole of their authority, and more certainly in this case in view of the pressure from those who would not understand its possibility of harm and emphatically from the interested dealers in the commodity.

10. The plan would require a substantial increase in taxes, as no such expenditure or depletion of revenues as this plan implies could be paid from marginal income of the Government.

Altogether, from the above reasons, it is my belief that the theoretical benefits would not be reflected to the American farmer; that it would create profiteering; that it contains elements which would bring American agriculture to disaster.

The introduction of such a plan would also inevitably confuse and minimize the much more far-reaching plan of farm relief, upon the fundamental principles of which there has been general agreement.

Yours faithfully,

HERBERT HOOVER.

I said at the outset that I believed our vote on this question to-day would determine whether or not this bill shall become a law. I ask every fair-minded man who will read these extracts if he can fairly say that there is any question in his mind as to what the President will do with this bill if it should reach the other end of the Avenue with this provision in it? These and other statements equally strong made by the President form the basis for my saying that, in my judgment, so far as the President is concerned, he could not and would not approve a bill with such a provision in it.

Mr. MONTAGUE. Mr. Speaker, will the gentleman yield?

Mr. TILSON. Yes.

Mr. MONTAGUE. Does the gentleman mean it to be inferred from his statement that the President would veto the bill if this provision is inserted?

Mr. TILSON. I can not imagine any other course on his part. Mr. MONTAGUE. Does not this give him the discretionary power to veto the plan; that is, to put it into operation if he sees fit? He has a continuing veto power to all effect.



Mr. TILSON. As the President says, as soon as the power is given to the board, the pressure would begin at once, especially from the dealers and others interested, and the pressure would go on unceasingly so long as those who would profit by it had a ghost of a chance of winning their point.

Mr. OLIVER of Alabama. Mr. Speaker, will the gentleman yield?

Mr. TILSON. I regret that I can not yield now. The pressure would go on, and instead of solving the troublesome situation we should simply have to begin all over again.

If the Members will read the scholarly address of the gentleman from Iowa [Mr. RAMSEYER] made a few days ago, when he analyzed the economics of this bill, I do not think anyone could believe for a moment that this provision would serve the purpose that it is claimed it would serve.

This tariff bill, whatever anyone may say, has been framed with great consideration for the agricultural interests. There has been friendly sympathy all over the country, among the industrial people as well as everybody else, for the condition of agriculture, and this sympathy has extended to the point of approval of the granting of many material increases in agricultural rates of duty. I have been agreeable to these increases. I think everything should be done that can properly be done for agriculture, but, in my judgment, this debenture provision would not only do agriculture no good but, in the words of the President, it would prove disastrous.

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield?

Mr. TILSON. Yes.

Mr. O'CONNOR of New York. Does the gentleman apply this attitude as a principle in Congress to all legislation, that in case the President threatens to veto a measure the Congress will abdicate its rights?

Mr. TILSON. Not at all; but the President has not threatened to veto this bill.

Mr. O'CONNOR of New York. For what purpose did the gentleman read this threat?

Mr. TILSON. It is not a threat. It is simply a statement of the attitude of the President.

Mr. O'CONNOR of New York. If that is the attitude which Members of Congress take, they might just as well abolish the legislative department.

Mr. TILSON. Nobody takes that attitude. The question had been raised as to the President's position, and I have tried to explain his position by quoting from his letters to Senator McNARY and myself.

Mr. O'CONNOR of New York. Then, do I understand the gentleman to say that if the gentleman believed in the debenture plan, he would vote for it, even though he knew the President would veto the bill? Is that true?

Mr. TILSON. If I thought the placing of the debenture plan in this bill would kill an otherwise meritorious bill, even though I favored the debenture plan, I should urge that it be kept out of this bill and passed in a separate bill, so as not to endanger this bill. That is my attitude. [Applause.]

If it ever becomes desirable or wise to put this debenture plan into effect, it can be done when that time comes without the necessity of an optional clause in this bill. We are never out of session longer than nine months at a time; therefore, instead of placing an encumbrance like this in a tariff bill, let us consider it separately on its own merits. By so doing we shall not endanger a very important bill in order to pass a proposition that might not be able to pass upon its own merits.

This is a tariff bill. Its purpose is to protect industry and labor. It is a good bill. It is a reasonably protective bill. It is admitted that it is not a sectional bill. It should be speedily enacted into law, and we should not put anything into it that will endanger or delay it even though it might be a sound and meritorious provision, which I am sure this debenture proposition is not. [Applause.]

Mr. HILL of Washington. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Speaker and Members of the House, this is an interesting conference report, at least in one particular. It proposes to lodge discretion with the President and a board in two particulars. One, with reference to whether or not this debenture plan, if adopted, shall be put into operation, and the leader of the majority side of the House suggests that the first proposition, the debenture plan, ought not to be opposed, because the President would not be able to resist the pressure, fighting against power to raise the price of farm products and fighting for the power to raise the price of the products of the great industries, and that the President should have the discretion to raise tariff rates.

There is another provision in this bill, the flexible tariff provision. Do we understand that it is proposed to put discretion

with reference to the flexible tariff provision in the hands of a gentleman who happens to be the President of the United States, who can not resist pressure?

Mr. CLARKE of New York. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. CLARKE of New York. Do I understand the pressure is to be upon the President and the decision in the President, or in the Farm Board?

Mr. SUMNERS of Texas. The pressure is upon the board, but the answer of the gentleman who is the leader of the majority was with reference to the President's ability to resist pressure, and the gentleman said he did not have it.

Mr. TILSON. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. TILSON. I think the gentleman from Texas unintentionally made a misstatement. The gentleman, as I understand it, indicated that I had said the President would not be able to resist pressure. I did not say that at all. I said in effect that pressure would be strong and it would be brought to bear upon him.

Mr. SUMNERS of Texas. It would not hurt anything to bring pressure to bear if it was not effective.

Mr. TILSON. In any event, it is the President's duty to execute the law.

Mr. SUMNERS of Texas. Very well. I am sorry I do not have time to yield further.

Agriculture has two problems. One is the problem of sale and distribution. The other grows out of the protective tariff system. The farm relief bill passed by this Congress only deals with the first problem only. I submit to the Members of this House that it is essential to pass some such legislation as is proposed by this debenture plan in order to make candid and truthful the declaration that we proposed to put agriculture on an equal footing with industry. I do not see how anybody can challenge that statement. I realize that a protective-tariff system is established in this country, but I do not see how any candid person can question that the protective-tariff system is a bounty. Under that system the might of Government compels a bounty to be given certain classes provided for in the law.

I submit the further proposition that the Government owes no higher duty than to be just among its citizens. This is a paternalistic proposition. There is no use to deny it. The tariff is as paternalistic as it can be. Suppose a parent, if we put Uncle Sam in the place of a parent, should provide for a bounty to go to only a part of his children. That would be partiality. Unquestionably no benefit can come from the protective-tariff system to producers of cotton, grain, tobacco, and of other surplus-producing crops. That is a proposition which no human being can challenge.

The protective tariff system is a bounty. It is a bounty, the benefits of which accrue to only a part of the citizens of the country.

That part of the citizens of the country, the farmers who produce cotton, grain, and tobacco, excluded from the benefit of the provisions of the protective tariff system, are compelled out of their poverty to contribute to the bounty which the Government compels to be paid to part of its citizens. That is a double discrimination against these farmers.

I would like the gentlemen who follow me to answer any of those propositions.

Now, what this bill proposes to do is to give back to the farmers, who are on their backs, to agriculture, which is in depression, a part of what this Government compelled them to give to industry. That is all. [Applause.]

I now yield to anybody who desires to ask me a question. If anyone wants to ask me a question, I will yield.

I make the further suggestion, and I address this to the serious consideration of the men and women of America: I do not believe that anybody who is a student of present conditions, who reads the signs of the times, who knows anything of history, who does not appreciate that we are approaching stormy times. I do not believe anybody who has any sense can question that. I do not believe anybody can question that agriculture is not getting a fair deal. [Applause.] This is no appeal to prejudice. When you came to look for the great mansions, for the great fortunes, for the evidences of prosperity, you do not go to the farmers of this country.

This sort of thing can not go on indefinitely. Some time the morale of the farmers will break.

Everybody knows that in the great crises of the past, when governments and civilizations have been put to the supreme test, that if they stood, it has been largely because of the conservative strength of the men and women who live in the fields of the country.

I do not believe the American farmers will stand or can stand much more of what is happening in this country. If the things were happening to industry or happening to the people who live

in the city where I live that are happening to the farmers of this country, we would be on the verge of a revolution. Those words are not too strong. The men and women producing the elements which make food and clothing for this Nation, unable to make enough money to pay their taxes and educate their children, are being compelled by this Government to pay more to the people who live in my city and manufacture than they would have to pay but for the exercise of that governmental power. Yet they get no relief when they come here and ask the Congress of the United States to give back to them a part of what this Government is compelling them to pay out of their poverty in order to make these millionaires and billionaires. These great captains of industry are not wise in opposing justice for the farmers of this country. [Applause.]

Gentlemen who represent the party in power indicate that even though we give to the President's board a discretion with regard to whether they will put this debenture into operation, that he will not permit his board to have that discretionary power, but will veto this tariff bill if this debenture provision is put in the bill. Let him kill it. He could do a whole lot worse things than to kill this tariff bill. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. HAWLEY. Mr. Speaker, I yield 10 minutes to the gentleman from Kansas [Mr. SPROUL]. [Applause.]

Mr. SPROUL of Kansas. Mr. Speaker and Members of the House, when I came to Congress, nearly eight years ago, we had before us the farm problem in the midwestern agricultural States. It had been conclusively determined by expert agricultural economists that the prices received for our farm products were approximately 20 cents on the dollar below the prices received for manufactured products. To illustrate: When wheat was selling for approximately \$1 per bushel it should have been selling for about \$1.20 per bushel. From that time on until now there has been continuously with us the problem of enacting legislation to secure for the midwestern farmers prices for their products on a parity with the prices of manufactured goods. This problem is with us yet to-day as it was nearly eight years ago.

During all this time, I have been supporting every measure considered by Congress for giving the farmers what was conceded to be due them in the way of legislation. I have never deserted them; neither them nor their cause, but have been talking and voting for measures designed to make our tariff laws effective in Kansas as they are in the manufacturing States. I am still talking and voting for such measures.

The facts, we think, not only clearly show that there has been and is a farm problem, but also show where; that is, in what States it exists, what produces the farm problem, and its extent. It is a well-known fact that the great staple food and clothing products are produced in an exportable surplus in the Mississippi Valley agricultural States. The leading products of these States are wheat and cotton, wool, beef, pork, and mutton; but, of course, the chief products are wheat and cotton. These products are the ones produced greatly in excess of the market needs in the United States. A surplus is shipped abroad and sold on foreign markets where the price of the home-sold product is largely determined. The Liverpool market for wheat, less the freight from the United States, is about the same price as the United States market price.

And so it is with cotton, which also is produced in exportable quantities in the Mississippi Valley States. Wheat and cotton, therefore, are sold on a world competitive, free-trade market. These great staple farm products bring into the Mississippi Valley a large part of the money for the support of the whole population of that country. These products get substantially no protective tariff benefit in prices. While there is a substantial tariff duty of 42 cents per bushel on wheat, yet the fact that wheat is produced in an exportable surplus, which goes to a free-trade competitive market, makes the tariff duty on it ineffective. The tariff does no good as to this product the farmer produces and sells on a free-trade market. Due to this situation the Mississippi Valley agricultural States during the past 15 years have made slow progress in the increase of wealth, compared with the progress made by the manufacturing States where the protective tariff is beneficially effective. For illustration the following table is submitted showing the increase of wealth of a number of Mississippi Valley agricultural States compared with a number of manufacturing States:

Increase of wealth in 15 years	
Agricultural States:	Per cent
North Dakota.....	18
Iowa.....	40
Nebraska.....	48
Minnesota.....	64
Kansas.....	41
Oklahoma.....	31
Texas.....	66

Agricultural States—Continued.		Per cent
Illinois.....		49
Missouri.....		83
Arkansas.....		57
Manufacturing States:		
Maine.....		109
New Hampshire.....		121
Massachusetts.....		115
Rhode Island.....		106
Connecticut.....		137
New Jersey.....		107
Pennsylvania.....		86
Delaware.....		118
Ohio.....		113
Michigan.....		129

Thus we see where the real agricultural problem exists, and what has brought it about, and the extent of it. The price received for wheat products compared with the prices paid for manufactured products is about 80 per cent of the manufactured product. In other words, the Mississippi Valley farmer receives for his wheat an 80-cent dollar, whereas the manufacturer receives a 100-cent dollar for his product. Think, then, of the wheat farmer paying his taxes and his debts, and making his purchases with an 80-cent dollar, whereas the manufacturer uses a 100-cent dollar to do the same character of work. To even up the price of Kansas wheat, or to put it on a parity with the prices at which manufactured goods are sold where the tariff is effective, our wheat producers should receive 25 cents more for each bushel of wheat. Kansas produces on an average 140,000,000 bushels of wheat annually. Twenty-five cents per bushel on the 140,000,000 bushels of wheat produced annually would mean \$35,000,000 more money to be left in Kansas every year. This would mean, on an average, about \$350,000 for each county in the State. This is the amount of money which represents the difference between what Kansas does receive, and what Kansas should receive every year to put her farm product of wheat on a parity or equality with the prices at which manufactured goods are sold. Thirty-five million dollars annually represents what the protective tariff law lacks and fails in effectiveness.

Thirty-five million dollars annually as shortage on wheat produced caused by the tariff not being effective is what every Senator and every Congressman should endeavor at every session of Congress to have righted by appropriate legislation. In my opinion, it is our duty to work and vote unceasingly to secure equal and just protection for the agricultural products of the Midwestern States as compared with the protection afforded manufactured products. Every industry in Kansas would have 25 per cent more prosperity than it now has if the tariff on wheat was made halfway effective. The farm lands of Kansas would be increased in value 25 per cent over the values they now have. The burdens of taxation would be 25 per cent lighter than they now are if our wheat had an effective tariff duty. We could pay our debts and our taxes 25 per cent cheaper than we now can pay them. We could have 25 per cent more of the luxuries of life to which we are entitled if we had an effective tariff law in Kansas. If the tariff on wheat were effective there would be 25 per cent more prosperity for every business and every profession located in the State. The merchants, the bankers, the lawyers, the doctors, the ministers, and all the laboring men would share in the prosperity which would come to the State from an effective working tariff law. The State then would make progress in the accumulation of wealth, and as its wealth would increase its tax burdens would diminish. Our population would cease leaving the farms and the small cities. Our representation in Congress would not be reduced. Why it is that the Representatives and Senators from the Midwestern States do not courageously work together to secure to our States what is justly due them I can not understand. While the farm property has no market value, yet it must bear a heavy tax burden.

This condition has existed for a number of years. In June, 1928, the National Republican Convention recognized this condition of the farmers in its national platform. Following that recognition, the farmers were given the following platform pledge:

The Republican Party pledges itself to the development and enactment of measures which will place the agricultural interests of America on a basis of economic equality with other industries to insure its prosperity and success.

The Democratic platform, made a little later, recognized the same conditions, and made substantially the same pledges to the farmers for the enactment of legislation placing agriculture on a parity with manufacturing. However, this unfair relationship of agriculture to manufacturing has been recognized by Congress and the fair-minded leading thinkers of the country for the past 10 years. During the past eight years, since it has been my privilege to be a Member of the House of Representatives, the McNary-Haugen farm bill has been voted upon three



different times. Twice it received a majority of the votes of both Houses of Congress, but each time it was vetoed by the President.

On the 15th of April, 1929, Congress was convened in special session for the purpose of enacting farm legislation which would make the protective tariff law somewhat effective as to the farm products produced in an exportable surplus. But notwithstanding a recognition of the farm problem and the party platform pledges, and that Congress has been in session almost continuously for more than one year; yet no legislation has been enacted to make the tariff effective on wheat; but instead a bill called the "cooperative stabilization, and surplus controlling law" was enacted.

This bill was not enacted to make the tariff law effective. It was more for the purpose of stabilizing the prices of farm products; to prevent influences of speculators that might be injurious to the farmers. At most, it could only guarantee to the farmers the Liverpool free trade competitive prices. It could not offer them, and does not offer now anything more. It went into effect about July 1, 1929, when wheat was \$1.08½ per bushel and cotton was 17.55 cents per pound in the United States. On May 1, 1930, wheat on the United States market was 95 cents per bushel and cotton was 15½ cents per pound; thus showing that under 10 months of the stabilization law wheat dropped 13¾ cents per bushel in the United States and cotton dropped 2 cents per pound. On May 1, 1930, wheat in London was about \$1.11 per bushel and cotton 17.24 cents per pound. Thus we have an illustration of 10 months of the stabilization bill. It should be understood that the present law was created only to stabilize prices; to make them uniform and regular. It was not made to give the farmers better prices on an average, except as they would be better through stabilization and uniformity. In other words, the law is intended to secure an average price between the high and the low during the marketing season. It is intended to get rid of market fluctuations. It was intended to destroy the influence of the "bears" on the market. In my opinion, the farmer or other person had a vain hope when he expected the present law to make the tariff on wheat and cotton to be effective, or even partially so.

#### THE MAWLEY-SMOOT TARIFF BILL

Now, Mr. Speaker, and ladies and gentlemen of the House, we have under consideration tariff bill H. R. 2667. This bill contains increased duties on hundreds and hundreds of different commodities which are used in everyday life by our citizens in Kansas. There is no doubt in the minds of any reasonable persons that in a great majority of cases the hundreds of articles which we use and upon which there is an import duty are sold to us at higher prices because of the import duties than they would be without the duties. In other words, the tariff is effective on manufactured goods as to our midwestern consumers. It is effective on practically everything except on wheat and cotton. Why is it not effective on wheat and cotton? We are told that it is because we produce these products in exportable quantities which go forth to foreign free-trade and competitive markets. We accept the explanation as being true; but, Mr. Speaker, there are millions on top of millions of dollars' worth of manufactured goods on which there are protective tariff duties that are effective, and which manufactured goods, like our wheat and cotton, go forth to foreign markets, and go into competition with similar products. But the manufactured goods have an effective working protective tariff duty on them, while wheat does not. This is a fact that every informed person well knows. So that our wheat and cotton farmers can see their manufacturing brothers, who also produce an exportable surplus, go forth on the same merchant ship to Liverpool markets with a consciousness that the manufacturer gets protection while the farmer does not, and yet we live in the same country, under the same laws. Such is the kind of protective tariff we now have in operation. This kind of protective tariff is recognized in both branches of the National Congress, and this is the kind of unfair situation the "debenture measure" is offered to remedy.

The Senate has passed the debenture plan to make the protective tariff on wheat and cotton to be effective as it is on manufactured goods. There is surely something wrong with a protective tariff law when it will not do what it was made to do; when it functions only to an extent on wheat and cotton; when it does but little if any good at all; whereas it functions 100 per cent as to manufactured goods.

#### DEBENTURE

What is the debenture plan, and what does it propose to do, and how would it work? The measure proposes that there shall be issued under Government authority to exporters of American produced wheat, debentures, or written promises to pay, to the extent of 21 cents per bushel for all the wheat that

is billed for export. These debenture certificates are receivable as cash by any importer of foreign-produced goods. They may be sold to the importer of any foreign-made goods at a discount of 2 per cent, as an inducement to get the importer to purchase them with which to pay import duties. They are later redeemable by the Government at their face value. There is no one who can intelligently doubt that this 21 cents per bushel which is one-half of the tariff duty of 42 cents, would immediately raise the price of wheat 21 cents per bushel all over the country. If the wheat is worth 21 cents more for export, then all the marketable wheat would start for a foreign market if the domestic market was 21 cents less. Inasmuch as the United States consumes between 500,000,000 and 600,000,000 bushels of wheat annually, such home market would immediately have to meet the export market, and thus the debenture measure would advance the price of wheat 21 cents per bushel all over the United States.

The proposed law gives the Farm Board power to apply the debenture to any particular agricultural product offered for export. It is not necessary to apply it upon all products offered for export but only whenever the price of the exported product is not sufficiently high. These debentures are receivable in payment within one year after their date for import duties due to the Government and are likewise cashable out of any moneys received as import duties to the Government. In short, it really amounts to a payment by the Government of 21 cents a bushel, which would be one-half the duty on wheat, and would also mean the payment by the Government of one-half the duty on cotton. This would make the tariff on wheat and cotton half way effective and would have a great tendency to fulfill the promises of the Republican Party platform made in June, 1928, and to do justice to the wheat and cotton farmers.

But, Mr. Speaker, we are told to-day that it is the opinion of our leader that if the "debenture plan" in the aid of agriculture is passed and adopted by the Congress, the President will veto the tariff bill. We are expected to act upon this opinion. It is told to us as an inducement for us to oppose the "debenture plan." We are virtually asked to give the farmers nothing to make the tariff on wheat and cotton effective. We were told the same thing as to the McNary-Haugen bill. Three times within the past eight years have our leaders from the manufacturing States offered inducements to the Representatives from the wheat and cotton country to vote against measures for the relief of agriculture.

Well do we remember some of the nice things said concerning the McNary-Haugen bill. Here are some of them: "Commerce will be thrown out of its normal adjustment into helpless confusion." "It is a price-fixing bill." "It is unconstitutional." "It is paternalistic." "It offers possibilities for graft and corruption." "It deprives the President of his constitutional powers." "The Attorney General says it is unconstitutional." "It would not work." "The constitutional questions involved have already been held unconstitutional." Three times was this character of criticism lodged against the farm bill.

#### STABILIZATION LAW

But when the so-called stabilization bill was perfected and brought before the House of Representatives last July we heard a different story. Those who represented the manufacturing interests and were so bitterly opposed to the McNary-Haugen bill, told us that the stabilization bill, under the Federal Farm Board, was an ideal bill; that it was perfectly all right; that it was one that the Representatives of the manufacturing States could recommend wholeheartedly. "Greeks were bearing gifts." No wonder they gave it such a recommendation. Giving it to the farmers to make the tariff effective was like giving a drop of water as a panacea to a person afflicted with a serious disease. In view of the fact that the bill could not possibly do any more than make uniform a free-trade price the farmers were not being fooled. They accepted the bill under protest and as a buck-passing makeshift.

Oh, yes, we are told that the manufacturing interests are sympathetic with the cotton and wheat farmers. We are wondering what kind of sympathy they have for the farmers. Such sympathy as they have to mete out to the farmers reminds us of the kind of faith that St. James referred to in one of his Epistles, as being without works, wherein he said:

What doth it profit, my brethren, though a man say he hath faith, and have not works? Can faith save him? If a brother or sister be naked and destitute of daily food, and one of you say unto them, Depart in peace, be ye warmed and filled; notwithstanding ye give them not these things which are needful to the body, what does it profit? Even so faith, if it hath not works is dead, being alone. Yea, a man may say, Thou hast faith and I have works; shew me thy faith without thy works, and I will shew thee my faith by my works.—(James, chap. 2, 14-18.)

The wheat and cotton farmers would rather see some real talking and voting for the McNary-Haugen fee bill or the debenture plan than a mere word expression of sympathy. We are told by the enemies of the farm debenture, the representatives of the manufacturing States, that if the debenture plan to aid the farmers was adopted and the wheat farmers should receive 21 cents per bushel for their exports, that foreign countries to which the wheat would be shipped would retaliate by placing on our exported wheat an import duty equal to the amount of our debenture, and that no gain to us would result.

In other words, they claim that if our wheat producers should export 100,000,000 bushels of wheat to Liverpool, and that a debenture of 21 cents per bushel should be paid our wheat exporters, that the English Government would require our wheat exporters to pay that Government 21 cents per bushel to allow the wheat to go into England, and that if so, there would be no gain whatever to our wheat producers. This is merely another bluff, another threat, another scare to the Representatives of the great agricultural States, which comes from the same source that all past opposition to effective farm legislation has come. Our Congress does not hesitate to pass laws raising the tariff duties on foreign imports which practically ruin the foreign markets of various countries shipping products here. We hear threats of retaliation by raising the tariff laws of the foreign countries affected, but we pay no attention to those threats. And why? Because those who are benefited in this country are the manufacturing industries in the manufacturing States. Our manufacturers have no fears of foreign-country tariff-law retaliations, and yet in effect to the industries of the foreign countries there is no difference between the application of the debenture duty on an export on the one hand, and an increase of an import tariff duty on the other hand. The only real difference is that the representatives of the manufacturing States succeeded in putting an effective scare into the minds of the representatives from the States producing agricultural exports.

What our agricultural States need most is to have Members of the Congress to realize what our States really need, and who will have the courage to work and fight for what our States are entitled to receive.

#### THE TARIFF BILL

The tariff bill, H. R. 2667, provides a few meritorious duties for farm products of the Mid West. In my judgment, there is no question but that we need higher duties on a few products, the like of which are being imported in too large quantities. However, in considering the value of a tariff bill to a section of the country, it is important to consider the extra cost made to the consumer by the raises in duties on the hundreds of things he has to buy. If the total raises in prices of what we have to buy is more than the gain from duties on what we produce, then we lose. A close examination of the bill under consideration makes it of doubtful value to our mid-western farmers without effective duties on wheat and cotton. When most everything the citizen has to buy—the material in his residence, the furnishings of his home, all of his clothing, and much of his food, and practically everything used on the farm—bears a tariff duty, and in a great per cent of the cases a resulting higher price, it behooves him to see to it that the material and leading products of his farm which he sells will receive an effective working tariff duty also.

#### CONCLUSION

I feel that it is the duty of the Members of Congress to vote courageously for the enactment of just and fair laws—those which will apply in equal effectiveness to the people in all parts of the country. And this duty we should discharge without reference to what the President may or may not do in the matter of applying his veto. The Congress does not seek to influence the President to use or not use his veto, because such is exclusively the President's constitutional duty. Likewise the President should not interfere with the Congress in the discharge of its special constitutional duty in enacting law. Nor should the Congress be swerved from the discharge of its duty by fears of a presidential veto.

I hope the time will come when the Representatives in Congress from the wheat and cotton producing States will as one individual on every occasion demand by their words and votes that the Federal protective tariff laws be made effective in that section of the country as they are elsewhere.

Mr. CULLEN. Mr. Speaker, I yield five minutes to my colleague the gentleman from Georgia [Mr. EDWARDS].

Mr. EDWARDS. Mr. Speaker, the Democratic Party has never been a free-trade party. It does not stand for free trade at this time. It stands for a tariff for revenue. We all recognize the fact that protection, at least during and under this administration, is the policy of the Government.

I was interested in the remarks of the gentleman from Connecticut [Mr. TILSON] who quoted the President as saying, in

his letter from which he read, that the debenture plan would cost the Treasury \$200,000,000 a year. This is probably so, but who is to get this \$200,000,000? Where does it go? It goes to the farmers. That is where it will go and that is who it will benefit.

You Members on the Republican side, when the farm relief bill was up in the extra session of this Congress and the farmers throughout the country, from one end of it to the other, were clamoring for relief, said to those of us who then favored this debenture plan and were earnestly trying to give real relief, "Wait; this is not the place to tack on the debenture plan. This is not the place for the debenture. Wait until the tariff bill comes before the House and we will put it on the tariff bill where it belongs."

I call on you to keep faith to-day with the farmers on this proposition. We are in a tariff bill discussion and we are soon to vote on the debenture plan. This is the time and this is the place to really give the farmers something that will be of great help to them.

Mr. JONES of Texas. Will the gentleman yield?

Mr. EDWARDS. Not just now.

I will tell you where some of the \$200,000,000 the gentleman from Connecticut [Mr. TILSON] spoke of will go and who it will help.

Georgia, the State from which I come, is a great cotton State. We raise from 1,000,000 to 1,500,000 bales of cotton a year. Call the debenture a "bounty," or whatever else you may want to call it, it will increase the price of cotton about \$10 per bale, which means help to Georgia cotton growers, by reason of the debenture, from \$10,000,000 to \$15,000,000 per annum. There are approximately 15,000,000 bales of cotton grown per annum in this country. This means from \$125,000,000 to \$150,000,000 of that money the gentleman from Connecticut spoke of would go to the cotton producers. This is one reason I am afraid many of you who have been promising the farmers relief will not permit the debenture plan to go into effect, because it will bring great relief to the South. It will not only benefit cotton which is largely a southern crop but it will help many other products all over the country.

It would not only benefit cotton but many other products of the South, like naval stores and other articles produced in that section which would be taken care of under the debenture.

We are led to believe by the gentleman from Connecticut, the Republican leader, that if we put this proposition into the bill, the President, perhaps, will not stand for the bill, that he will veto it. I want to tell you, unless we get this or something else in the bill worth while for the farmers I would be pleased to see the President veto it, and the farmers of this country would welcome his veto as a relief against the high rates levied in this bill on everything the farmer has to buy for use in his home and on his farm. [Applause.]

Mr. RANKIN. Will the gentleman yield?

Mr. EDWARDS. I yield.

Mr. RANKIN. This plan, if put into effect, would also raise the price of wheat \$160,000,000 to the wheat farmers of the country.

Mr. EDWARDS. I thank the gentleman for his contribution. I had not expected to discuss wheat, because we do not grow wheat in Georgia, and I was leaving that to the wheat growers to discuss.

I now yield to the gentleman from Texas.

Mr. JONES of Texas. I just wanted to discuss in connection with what the gentleman has said about the situation when the farm relief bill was up, that when the Senate put this amendment on the farm relief bill they even talked about questioning the jurisdiction of the Senate, because it was a revenue matter.

Mr. EDWARDS. The House is familiar with all those things and there are only two ways to vote. One is to meet the issue frankly, break faith with the farmer, and vote it down, and the other is to be honest, keep faith with the farmers of the country, and vote it up, and give the farmers the great relief it will mean to them. [Applause.]

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. BACHARACH. Mr. Speaker, I yield seven minutes to the gentleman from Ohio [Mr. BRAND].

Mr. BRAND of Ohio. Mr. Speaker, ladies and gentlemen of the House, it is extremely difficult to-day to be for this debenture plan in this bill when the President of my party is advising against it; but I have had a conviction during all the time I have been in this Congress that the only way we will ever help agriculture is to make these tariffs effective on surplus products, and I am not going back on that conviction to-day even under extreme pressure. [Applause.]

I will vote this afternoon to carry out my pledge at the Kansas City convention to give equality to agriculture.



The farmers of America are selling their hogs for less than the Danish farmers are getting for theirs. They are selling their butterfat and milk for less than the Danish farmers are getting for theirs. They are selling their barley, oats, wheat, and corn for less than the European farmer is getting for his because we have to ship our products over there before we get the European price.

That is not true with industry. American industry is selling its products here for more than similar industry is selling the same products in Germany, England, France, or any of the European countries because industry is getting the benefit of the tariff and agriculture is not on surplus products.

The farm organizations have gotten up a rallying cry and a slogan, "We demand equality for agriculture." At the national convention the Republican Party took up that slogan and agreed to comply with and fulfill that demand, and I am going to vote the Republican ticket this afternoon and what it meant following that platform adopted. If anybody here on this side of the House votes otherwise they will show that they did not mean what they said in their platform, because there is no way to give agriculture equality and no way ever been talked except to make the tariff effective on agricultural products, and that is what this debenture plan does. [Applause.]

There are some excuses offered for not voting for this debenture plan. The main one is that other countries will oppose this plan if adopted by the United States and retaliate by placing a tariff on our products equal to this debenture and call it a countervailing duty. Will we be the first country to adopt this debenture idea? Not by any means. I am told there are eight different countries now with the debenture idea enacted into law, and I want to refer to Germany.

Germany raises a lot of wheat in a certain section of the country that is not the kind of wheat the Germans want to use, and if those German farmers ship it out over the world they will get a very small price for it in the open market. Germany has a duty of 80 cents per bushel on wheat, and the German farmer gets a good price for wheat, but here is about 12,000,000 bushels per year that Germany wants to ship out of Germany and she wants to protect the farmer that produces that wheat and give him some kind of equality, and she pays them in the debenture 40 cents per bushel on every bushel shipped out of the country.

Now, you say that all the other countries will retaliate. England did think about retaliating, and this matter was brought up in her Parliament, and if you will go over to the Congressional Library you can get the full debate on the subject and the record vote, and you will find that more than two-thirds of the members of Parliament voted against any retaliation and admitted that Germany was within her rights. That is the test on this question, and anyone who votes against the debenture fearing that other countries will retaliate is offering an excuse, not a reason.

Another excuse for not voting for this measure is that it is not mandatory upon the Farm Board to put it into effect. Well, the McNary-Haugen bill was not mandatory. It became effective upon certain conditions only. It did not apply to all products unless the board controlling it so desired.

Wheat sometimes sold, in the last 12 years, at 75 cents per bushel and sometimes at \$4 per bushel. Sometimes you would want the debenture in effect. Other times you would not. This is no new proposition to us in the United States. I would prefer to apply it with discretion.

I have heard, too, in the cloakrooms and on the floor of the House that the farmer will not get this debenture, but anyone who has any vision at all must know that this Farm Board is at work organizing the American farmers for marketing their products, and anyone with just a little imagination can see that they are going to succeed in doing that and that the American farmer is going to be organized, and, gentlemen, when they are organized they will be exporting their own wheat, and that will probably occur this year. That is what is the matter with the chamber of commerce, because some of their members are losing their jobs.

Now, when the American farmer exports his own wheat through his organization, he will collect the debenture and dispose of it to somebody importing sugar or some other product and there will be three, four, or five times as many people wanting those debentures as there are debentures and the American farmer will get through his organization every penny of the debenture.

That is not all the good he gets out of those debentures. If any farmer gets 21 cents per bushel more for the wheat that is exported on account of the debenture, every other farmer selling wheat in America will get the same price as the man who sells his wheat for export, and every bushel of wheat in America that is sold by the farmer will get the 21 cents advance. When you apply the debenture plan to other items you will get the same result.

I will vote for the debenture this afternoon because it is the only means before us of granting equality to agriculture, and my party agreed to do that.

I will vote for the debenture this afternoon because agriculture in America is bankrupt.

I will vote for the debenture this afternoon because agriculture in America to-day is in a worse shape than it has ever been since the Cleveland administration in the nineties.

I will vote for the debenture this afternoon because agriculture in America is entitled to the American standard of living, and because we must prevent the American farmer from becoming a serf, a peasant, and a cheap, despised servant of industry. [Applause.]

Mr. HILL of Washington. Mr. Speaker, I yield three minutes to the gentleman from Mississippi [Mr. QUIN].

Mr. CULLEN. I yield two minutes to the gentleman from Mississippi [Mr. QUIN].

The SPEAKER pro tempore (Mr. DARROW). The gentleman from Mississippi [Mr. QUIN] is recognized for five minutes.

Mr. QUIN. Mr. Speaker, this, in my judgment, is a grave situation to Members of this House, because the platform of both parties promised the farmers that they should be placed on an equality with industry. The Republican majority ought to recognize that it is responsible for all legislation that passes this House. In this very bill that we have up now, the conference report on the tariff bill, the House and the Senate give to special-privilege industries in this country the right to collect from all of the people of the United States through what they call a tariff or bounty.

One gentleman, the leader of this House [Mr. TILSON], said that we could take it up in a different bill. Why, when we had the McNary-Haugen bill up, what did they do? They killed it. And they said that we are going to put it on the tariff. The gentleman from Kansas [Mr. STRONG] made that statement to me, and I said, "Do you believe your leadership is going to allow a debenture to come in on the tariff bill?" He said, "Yes." And yet, gentlemen, they had no more intention of doing it than I have.

The test of that very proposition is this debenture; it is for the benefit of certain agricultural products in this country.

Think what it means to the wheat growers if it passes—and if it passes it is to be done through the Republicans. All you Republicans that belong in the territory where they produce wheat and corn certainly can not vote against the farmer. If you are for him, you are going to vote for this great debenture plan in this bill.

I do not care what the leadership may say—they have already provided for the Steel Trust and all these big concerns that burgle the people. [Laughter.]

Day before yesterday 28 Democrats joined with this bunch of Republicans and they put a tariff on cement by a vote of 55 majority. They turned down the Blease amendment and thus robbed the farmers all over the United States. The record shows that they will have to pay \$316 to \$800 a mile more for concrete roads.

And yet you have the temerity to say that you have sympathy for the farmer. You know what it will mean for the wheat farmer and the cotton grower of the country. Yes; it is a subsidy; it is a bounty. Steel has a bounty and cement has a bounty—there are a thousand items in this bill, ad valorem taxes from 5 per cent up to 150 per cent, which you are taking away from the people, and it is nothing more than a bounty.

They claim that the President will veto the bill. It would be a mighty good thing if he does veto it. I hope he will veto it. Let us put the debenture plan in here, and, if he signs it, we know we are helping the farmer, and it is the only chance you are going to get to give the farmer the benefit of any tariff. You have given it to the protected industries. Now give it to the helpless farmer of this country, so that he can be put on an equality with industry. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. BACHARACH. Mr. Speaker, I yield 10 minutes to the gentleman from New Jersey [Mr. FORT].

Mr. FORT. Mr. Speaker and gentleman of the House, since I have been a Member of this House it has been my effort to give to all proposals for farm relief a sympathetic consideration, and to vote for anything that was in the real interest of American agriculture. But I never have voted and I never will vote for a gesture alleged to be in the interest of agriculture, but actually to its detriment. [Applause.] Before going any further may I call to the attention of the gentleman on the Democratic side of the aisle, who are going to follow their vote for the debenture with votes against the delegation of authority to the Tariff Commission, that the debenture proposal as it passed the Senate is a straight delegation to an executive commission



of the power to appropriate and spend \$280,000,000 of the tariff revenues of this Government without reference back to Congress. I shall put into the RECORD, if I may be permitted, a statement of the Tariff Commission verifying my figures of \$280,000,000. In a few minutes you are going to vote not to delegate authority to an executive commission to affect individual tariff rates, and yet, if your vote here carries, you are going to delegate power to an executive commission to take out and spend one-half of the entire revenue raised by the tariff. Next, this is a straight subsidy proposal. I took occasion yesterday, in connection with the duty on sugar, to call to the attention of the House the danger that resulted from an initial adoption of a subsidy policy. Once adopted, such a policy is not morally or easily repealable, even where its cost runs, as this will, into hundreds of millions of dollars. It is not, however, in the first instance, a subsidy to the American farmer. Who owns the wheat and the cotton to-day? Not the farmer. The trade does. I had a telephone call this morning from interests connected with the Chicago Board of Trade, asking me if I did not think there was a chance of the debenture being added to the bill. The Chamber of Commerce of the United States indicated this week a preference for the export debenture over the present farm bill, because the present farm bill interferes with their business.

This proposal in its present form, if adopted, amounts to a direction to the executive branch of the Government to make it operate whenever the price of the commodity gets low. Wheat is to-day at \$1.02 a bushel, which is low. Immediately it should be the duty of the Farm Board, if we put the stamp of our approval on this legislation, to give to the trade in wheat, which to-day owns, perhaps, 200,000,000 bushels of last year's crop, a present of \$42,000,000. It would also operate, under its language, for the benefit of the manufacturer far more than for the farmer. May I say also to the gentlemen from the South that they had better read this bill with some care before they vote to concur, because in its present form, since the adoption of the 7-cent duty on long-staple cotton, the 2-cent rate on short staple would not apply. If they vote for the bill in its present form, they are voting for a subsidy to every exportable product of agriculture except short-staple cotton.

The purpose of this legislation is to raise the price of agricultural commodities, and yesterday the House fought for two hours over an increase of 20 cents a hundred pounds on sugar, and Members voted against a duty which justice to the sugar producers demanded. This proposal, if it means anything, should mean an increase of a cent a pound on sugar, since the debenture rate would be half the duty of 2 cents; that is, of course, if it were not the fact that it can not possibly help any producer of articles of which we do not raise a surplus. Our eastern farmers, also, can gain nothing from this subsidy, as, of course, they can not export their perishable products.

What is the effect of a subsidy or a bonus? Universally, worldwide, it is that a countervailing duty is put on, equivalent in amount to the bonus. Even Canada, when Australia put a bonus on exports of butter, put a countervailing duty equal to the export bonus, even on the products of her sister Dominion. What is the effect of that? The effect is that the export bonus is used to pay the taxes in some other country. The moment we put an export bonus on something to be imported into Germany, Germany puts on a countervailing duty equal to the bonus. Then we would take out of our Treasury, if it be wheat, 21 cents a bushel, and the exporter pays it to Germany as an import duty on wheat going into Germany. We would pay the taxes of the German nation out of the Treasury of the United States and tax ourselves to get the revenue.

Economic chaos has followed this proposal wherever it or anything like it has been adopted. The gentleman from Ohio [Mr. BRAND] referred to certain countries having a bonus on export system. Australia has it, and as a result Australia is in absolutely the worst economic condition of its entire existence. Australian exchanges are at a discount, I think it is, of 17 per cent from par. Why? Because she has raised so much wool, because she has raised so much wheat, that she has depreciated the world market in both of them, and she can not export at a profit. You can not put export bounties on any commodity without increasing the production.

The Senate recognized that fact by providing that, if this thing was put on, it should be reduced as production increased, but it made no provision to take care of any increase less than 20 per cent. What is 20 per cent? Twenty per cent in cotton is 3,000,000 bales, and 3,000,000 bales of cotton would break the world price 5 cents a pound, and then they would get an export debenture of 2 cents, provided they did not have the tariff on long staple. They would break the world price 5 cents to get 2 cents. On wheat an increase of 20 per cent is 180,000,000 bushels, and 180,000,000 bushels is more than the entire visible

supply of wheat that drove the price of wheat down 35 cents per bushel a year ago. Here they are ready to vote for a proposal which will produce such an increase in production with a certain resultant break in world price that will be far greater than the export debenture subsidy.

My friends, it will cause only a debacle and economic chaos if the American Congress accedes to the amendment of the Senate. We are sitting here and hearing pleas coming in the name of agriculture from those, many of whom are at heart its friends but who have not studied the merits of this proposition. We are asked to give the American farmer, in the guise of aid, a thing which more than any other of the many fanciful proposals offered by his misguided friends promises him total, complete, and final ruin. [Applause.]

Mr. Speaker, I yield back the balance of my time, and I ask unanimous consent that in the revision and extension of my remarks I may include a report from the Tariff Commission on the cost of the debenture.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The report of the Tariff Commission referred to is as follows:

SOME CALCULATIONS RESPECTING EXPORT DEBENTURES AS PROVIDED IN SECTION 321, H. R. 2667

UNITED STATES TARIFF COMMISSION,  
Washington, D. C., April 18, 1930.

SOME CALCULATIONS RESPECTING EXPORT DEBENTURES

The Tariff Commission has received a number of requests for statistical information in regard to export debentures as provided for in section 321 of H. R. 2667 as passed by the Senate March 24, 1930.

The calculations in the attached tables are based upon the export statistics for a selected group of commodities which the Federal Farm Board would be empowered to make debenturable should the provisions of the Senate bill become a law. These tables include as nearly as possible all the debenturable commodities (because of lack of export statistics corresponding with the tariff classification, cattle are omitted from the tabulations. Exports of cattle are small and the effects of the omission negligible) for which export figures are available for the calendar year 1929. It is, of course, impossible to predict for any future period the quantity of exports. The grand totals, therefore, represent the maximum total of debentures payable under section 321, calculated on the basis of exports for the year 1929.

In accordance with section 321 (d), the debenture rates for agricultural products, except cotton, are one-half the tariff rates fixed in the bill on such products. In Table I-A the tariff rates in the bill as passed by the House of Representatives are used as the basis of calculating the debenture rates; in Table I-B, the tariff rates in the bill as passed by the Senate; and in Table I-C, the tariff rates as tentatively agreed upon by the conference committee as of April 18, 1930. For cotton, the debenture rate of 2 cents per pound, provided in section 321, is used. Section 321 (d) provides that the debenture rate upon a manufactured food product of an agricultural commodity or upon a manufacture of cotton or tobacco shall be an amount sufficient, as nearly as may be, to equal the debenture that would be issuable upon the exportation of the quantity of the raw material consumed in the manufacture of such product. In the accompanying tables the attempt has been made to estimate roughly for cotton and for tobacco manufactures, as well as could be done on the basis of the statistics available, the amounts of the debentures according to the rule in section 321. But for manufactured food products, because of lack of necessary statistics and because of the difficulties encountered when the attempt is made to apply the rule to joint products of a raw material, there has been used as the debenture rate in each case one-half the tariff rate provided for such food product in H. R. 2667. In Table I-A, the House rates were used; in Table I-B, the Senate rates; in Table I-C, the conference rates (as of April 18, 1930).

As appears in the notes on the table, the lack of sufficiently detailed statistics has necessitated the making of a number of assumptions and estimates in converting cotton and tobacco products back to the unmanufactured cotton and leaf tobacco. In some cases where the basket clause of the export classification did not correspond with the basket clause of the tariff classification, information was not available upon which to estimate the amount of the debenture.

As indicated in the note on the table, deduction has been made for exports of wheat flour made in bonded mills from foreign wheat. No attempt has been made to account similarly for any other manufactures of foreign raw material.

The estimated debentures on agricultural commodities (except cotton and tobacco) and manufactured food products total \$89,000,000 on the basis of the House rates, \$90,600,000 on the basis of the Senate rates, and \$90,900,000 on the basis of the conference rates; on cotton and cotton manufactures, \$86,700,000; and on tobacco and tobacco manufactures, \$104,000,000. The grand total of the estimated debentures on all products included amounts to \$279,700,000 on the basis of the House rates, to \$281,300,000 on the basis of the Senate rates, and to \$281,600,000 on the basis of the conference rates.



## EXPORT DEBENTURES, SECTION 321, H. R. 2667

I. Proposed export debenture rates applied to exports of agricultural products (except cotton and tobacco) and manufactures thereof, calendar year 1929<sup>1</sup>

A. AT DEBENTURE RATES EQUAL TO ONE-HALF THE TARIFF RATES OF H. R. 2667 AS PASSED BY THE HOUSE OF REPRESENTATIVES

Commodity	Unit of quantity	Paragraph No., H. R. 2667	Tariff classification of commodity	Tariff rates in H. R. 2667 as passed by the House	Exports, 1929		Debenture cost	Notes
					Quantity	Value		
Hogs.....	No.....	703	Hogs.....	2c per lb.....	27,017	\$464,998	\$67,542	On assumption of average weight of 250 pounds per head.
Sheep.....	No.....	702	Sheep.....	\$3 per head.....	15,431	211,770	23,146	
Poultry, live.....	Lbs.....	711	Poultry, live.....	6c per lb.....	448,611	301,301	13,458	
Beef and veal, fresh.....	Lbs.....	701	Beef and veal, fresh.....	6c per lb.....	2,917,859	661,669	87,536	
Beef and veal, pickled or cured.....	Lbs.....	706	Meats preserved.....	6c per lb. but not less than 20%.....	10,824,870	1,321,002	324,746	
Pork, fresh.....	Lbs.....	703	Pork, fresh.....	2½c per lb.....	13,539,070	2,169,025	169,238	
Wiltshire sides—shoulders, sides, and hams.....	Lbs.....	703	Other pork, prepared or preserved.....	3½c per lb.....	5,039,034	717,892	818,843	
Hams and shoulders, cured.....	Lbs.....	703	Hams and shoulders.....	3½c per lb.....	125,796,826	26,461,981	2,044,198	
Bacon.....	Lbs.....	703	Bacon.....	3½c per lb.....	138,423,370	20,850,928	2,249,380	
Cumberland sides.....	Lbs.....	703	Other pork, prepared or preserved.....	3½c per lb.....	5,858,054	1,123,875	95,193	
Pickled.....	Lbs.....	703	Other pork, prepared or preserved.....	3½c per lb.....	44,787,116	6,403,060	727,791	
Mutton and lamb.....	Lbs.....	702	Mutton, fresh.....	5c per lb.....	835,411	210,807	27,569	On assumption that 80% of exports are lamb, 20% mutton. Calculated on the ad valorem rate.
Sausage, not canned.....	Lbs.....	706	Lamb, fresh.....	7c per lb.....				
Canned meats:			Meats, preserved.....	6c per lb. but not less than 20%.....	3,724,042	1,124,153	112,415	
Beef.....	Lbs.....	706	Meats, preserved.....	6c per lb. but not less than 20%.....	2,606,162	945,462	94,546	Calculated on the ad valorem rate.
Pork.....	Lbs.....	703	Pork, prepared or preserved.....	3½c per lb.....	10,239,914	3,694,820	166,399	
Sausage.....	Lbs.....	703	Pork, prepared or preserved.....	3½c per lb.....	2,139,100	706,424	34,760	
Other.....	Lbs.....	706	Meats preserved.....	6c per lb. but not less than 20%.....	2,266,448	614,887	67,993	Calculated on the specific rate.
Poultry and game, fresh.....	Lbs.....	712	Chickens, ducks, geese, guineas.....	8c per lb.....	2,472,574	842,303	98,903	Assuming exports are all chickens.
Other meats (including edible offal).....	Lbs.....	706	Turkeys.....	10c per lb.....				
Sausage casings:			Meats preserved.....	6c per lb. but not less than 20%.....	41,422,103	4,610,789	1,242,663	Calculated on the specific rate.
Hog casings.....	Lbs.....	1756	Sausage casings.....	Free.....	12,905,125	3,490,267	-----	
Beef casings.....	Lbs.....	1756	Sausage casings.....	Free.....	16,820,424	2,365,785	-----	
Other casings.....	Lbs.....	1756	Sausage casings.....	Free.....	2,911,194	441,335	-----	
Oleo oil.....	Lbs.....	701	Oleo stearin.....	1c per lb.....	68,208,850	7,501,270	341,044	
Oleo stock.....	Lbs.....	701	Tallow.....	½c per lb.....	8,095,202	859,633	20,238	
Tallow.....	Lbs.....	701	Tallow.....	½c per lb.....	3,840,020	326,851	9,600	
Lard.....	Lbs.....	703	Lard.....	3c per lb.....	847,867,918	107,976,396	12,718,019	
Lard compounds containing animal fats.....	Lbs.....	703	Lard compounds and lard substitutes.....	5c per lb.....	3,632,219	457,229	90,805	
Oleo and lard stearin.....	Lbs.....	701	Oleo stearin.....	1c per lb.....	3,930,682	440,075	19,653	
Oleomargarine of animal or vegetable fats.....	Lbs.....	709	Oleomargarine.....	14c per lb.....	901,625	152,401	63,114	
Milk and cream:			Whole milk.....	5c per gal.....	180,217	103,571	4,505	
Fresh and sterilized.....	Gal.....	707	Milk, condensed or evaporated, sweetened.....	2½c per lb.....	41,242,812	6,459,419	463,982	
Condensed, sweetened.....	Lbs.....	708	Milk, condensed or evaporated, unsweetened.....	1½c per lb.....	68,942,613	5,844,208	482,598	
Evaporated.....	Lbs.....	708	Dried whole milk.....	4½c per lb.....	5,342,301	1,396,794	126,880	
Dried.....	Lbs.....	708	Butter.....	14c per lb.....	3,724,245	1,750,278	260,697	
Butter.....	Lbs.....	709	Cheese.....	7c per lb., but not less than 35%.....	2,646,009	735,333	128,683	Calculated on the ad valorem rate.
Cheese.....	Lbs.....	710	Malted milk and compounds or substitutes for milk or cream.....	30% ad valorem.....	2,126,136	655,844	93,377	
Infants' foods, malted milk, etc.....	Lbs.....	708	Eggs of poultry in the shell.....	10c per doz.....	12,074,830	4,081,363	603,742	
Eggs in the shell.....	Doz.....	713	Whole eggs, egg yolk & egg albumen frozen.....	8c per lb.....	325,703	61,644	13,028	
Eggs and yolks, frozen, dried and canned.....	Lbs.....	713	Extract of meat, including fluid.....	15c per lb.....	185,116	400,077	13,884	
Meat extracts and bouillon cubes.....	Lbs.....	705	Edible gelatin, valued at 40c or more per lb.....	20% and 7c per lb.....	269,620	168,686	26,306	
Gelatin.....	Lbs.....	42	Hides, cattle.....	10%.....	22,544,535	3,516,494	175,825	
Hides and skins, raw—			Hides, cattle.....	10%.....	6,977,438	1,539,559	76,978	
Cattle hides.....	Lbs.....	1530	Skins of all kinds, raw and hides n. s. p. f.....	Free.....	1,864,136	577,629	-----	
Calfskins.....	Lbs.....	1530	Skins of all kinds, raw and hides n. s. p. f.....	Free.....	6,358,641	1,161,949	-----	
Sheep and goat skins.....	Lbs.....	1761	Valued at not more than \$150 per head.....	\$30 per head.....	7,358	722,202	110,370	Assuming all exports valued at not more than \$150 per head.
Other hides and skins.....	Lbs.....	1761	Valued at more than \$150 per head.....	20% ad valorem.....	-----	-----	-----	
Horses other than breeding.....	No.....	714	Valued at not more than \$150 per head.....	\$30 per head, 20% ad valorem.....	15,295	1,812,965	229,425	Assuming all exports valued at not more than \$150 per head.
Mules, asses, and burros.....	No.....	714	Barley.....	20c per bu. (48 lbs).....	29,523,077	24,154,866	2,952,308	
Barley.....	Bu.....	722	Barley malt.....	40c per 100 lbs.....	3,380,783	3,334,438	229,893	Exports in bu. converted at 34 lbs. per bu.
Malt.....	Bu.....	722	Buckwheat.....	25c per 100 lbs.....	191,141	212,981	11,458	Exports in bu. converted at 48 lbs. per bu.
Buckwheat.....	Bu.....	723	Corn.....	25c per bu. (56 lbs).....	33,745,270	34,058,510	4,218,159	
Corn.....	Bu.....	724	Corn meal.....	50c per 100 lbs.....	267,121	1,330,488	130,889	Exports in bbls. converted at 196 lbs. per bbl.
Corn meal.....	Bbl.....	724	Corn grits.....	50c per 100 lbs.....	14,383,857	304,761	35,960	
Hominy and corn grits.....	Lbs.....	724	Cereal breakfast foods.....	20% ad valorem.....	6,157,114	525,341	52,534	
Corn breakfast foods ready to eat.....	Lbs.....	732	Oats.....	15c per bu. (32 lbs).....	6,608,727	3,389,111	495,655	
Oats.....	Bu.....	726	Oatmeal and rolled oats.....	80c per 100 lbs.....	81,245,501	4,220,140	324,982	
Oatmeal, flaked and rolled oats.....	Lbs.....	726	Rice.....	1½c per lb.....	315,441,412	12,129,009	1,971,609	
Rice.....	Lbs.....	727	Broken rice, rice meal, flour, polish, and bran.....	½c per lb.....	70,593,596	1,960,679	220,605	
Rice flour, meal and broken rice.....	Lbs.....	727						

<sup>1</sup> The debenture rates upon manufactured food products have been calculated at one-half the duty on such products in H. R. 2667 as passed by the House instead of on the basis of the rates on the basic raw material as proposed in sec. 321, H. R. 2667 as passed by the Senate.

## EXPORT DEBENTURES, SECTION 321, H. R. 2667—Continued

I. Proposed export debenture rates applied to exports of agricultural products (except cotton and tobacco) and manufactures thereof, calendar year 1929—Continued  
 A. AT DEBENTURE RATES EQUAL TO ONE-HALF THE TARIFF RATES OF H. R. 2667 AS PASSED BY THE HOUSE OF REPRESENTATIVES—continued

Commodity	Unit of quantity	Paragraph No., H. R. 2667	Tariff classification of commodity	Tariff rates in H. R. 2667 as passed by the House	Exports, 1929		Debenture cost	Notes
					Quantity	Value		
Rye	Bu.	728	Rye	15c per bu. (56 lbs.)	3,433,576	\$3,612,596	\$257,518	
Rye flour	Bbl.	728	Rye flour and meal	45c per cwt.	14,764	84,699	6,511	Exports in bbls. converted at 196 lbs. per bbl.
Wheat	Bu.	729	Wheat	42c per bu. (60 lbs.)	90,129,600	111,500,615	18,927,216	
Wheat flour	Bbl.	729	Wheat flour	\$1.04 per cwt.	13,663,457	80,788,765	10,633,038	Exports in bbls. converted at 196 lbs. per bbl. Obtained by deducting \$3,292,757 debenture on exported wheat flour made from foreign wheat from original total of \$13,925,795.
Biscuits and crackers:								
Plain	Lbs.	733	Biscuits, etc.	30% ad valorem	6,743,348	1,114,887	167,233	
Sweetened	Lbs.	733	Biscuits, etc.	30% ad valorem	3,874,556	916,221	137,433	
Macaroni, etc.	Lbs.	725	Macaroni, etc., containing no eggs	2c per lb.	10,740,479	925,004	107,405	
Wheat breakfast foods ready to eat	Lbs.	732	Cereal breakfast foods	20% ad valorem	1,961,627	181,511	18,151	
Wheat breakfast foods to be cooked	Lbs.	732	Cereal breakfast foods	20% ad valorem	1,242,040	140,740	14,074	
Cereal foods n. e. s.	Lbs.	732	Cereal breakfast foods, etc.	20% ad valorem	4,638,529	496,361	49,636	
Other grains and preparations	Lbs.	732	Cereal preparations	20% ad valorem	12,373,749	952,442	95,244	
Hay	Ton	777	Hay	\$4 per short ton	11,073	267,046	24,804	
Kafir and milo	Bu.	1557	Raw product n. s. p. f.	10%	2,604,978	2,337,928	116,896	
Beans, dried	Bu.	763	Beans, dried	2½c per lb.	291,218	1,162,488	218,414	Exports in lbs. converted at—
Peas, dried	Bu.	767	Peas, dried	1¾c per lb.	114,320	483,963	58,017	60 lbs. per bu.
Potatoes, white	Bu.	769	Potatoes, white or Irish	75c per 100 lbs.	2,734,530	3,223,436	615,269	58 lbs. per bu.
Onions, white	Bu.	768	Onions	2c per lb.	580,273	786,507	330,756	57 lbs. per bu.
Other fresh vegetables	Bu.	772	Vegetables, all other	50%	199,043,905	6,340,092	1,585,023	Exports and tariff classifications not identical, but it is believed rates would average at least 50%.
Vegetables, canned:								
Asparagus	Lb.	773	Vegetables, prepared or preserved, n. s. p. f.	35% ad valorem	22,834,475	3,544,726	620,327	
Baked beans and pork and beans	Lb.	763	Beans	3c per lb.	7,664,894	667,013	114,973	
Corn	Lb.	773	Vegetables, prepared or preserved, n. s. p. f.	35% ad valorem	8,366,230	629,133	110,098	
Peas	Lb.	767	Peas, prepared or preserved	2c per lb.	8,384,573	739,789	83,846	
Soups	Lb.	773	Soups	35%	28,751,205	2,722,575	476,451	
Tomatoes	Lb.	770	Tomatoes, prepared or preserved	40%	4,674,113	340,078	68,016	
Other canned vegetables	Lb.	773	Vegetables, prepared, n. s. p. f.	35%	13,126,129	808,444	141,478	
Pickles	Lb.	773	Vegetables, prepared, n. s. p. f.	35% ad valorem	4,136,192	386,367	67,614	
Catsup and other tomato sauces	Lb.	773	Vegetables, prepared or preserved	35%	11,014,301	1,490,084	260,765	
Other sauces and relishes	Lb.	773	Vegetables, preserved, n. s. p. f.	35%	3,732,241	769,847	134,723	
Vinegar	Gal.	738	Vinegar	6c per gal.	318,511	167,680	9,555	
Yeast	Lb.	1557	Unenumerated mfd. article	20%	3,584,074	652,894	65,299	
Other vegetable preparations	Lb.				2,969,034	411,648		No corresponding rate. <sup>2</sup> Exports in boxes converted at—
Grapefruit	Box	743	Grapefruit	1¼c per lb.	976,264	3,619,743	512,539	70 lbs. per box.
Lemons	Box	743	Lemons	2c per lb.	266,358	1,410,485	197,105	74 lbs. per box.
Oranges	Box	743	Oranges	1c per lb.	5,510,514	18,745,561	1,928,680	70 lbs. per box.
Pineapples	Box	746	Pineapples per crate of 245 cu. ft.	35c per crate	50,791	149,126	8,888	
Apples:								
In boxes	Box	734	Apples	25c per bu. of 50 lbs.	9,452,588	20,671,242	992,522	42 lbs. per box.
In bbls.	Bbl.				2,467,948	12,467,077	1,011,859	Exports in bu. converted at 3.28 bu. per bbl.
Berries	Lb.	736	Berries	1¼c per lb.	14,728,517	1,424,832	92,053	Exports in lbs. converted at 38.4 lbs. per cu. ft.
Grapes	Lb.	742	Grapes	25c per cu. ft.	47,306,879	2,463,724	153,747	
Pears	Lb.	748	Pears	¼c per lb.	69,995,885	4,831,872	174,990	
Peaches	Lb.	745	Peaches	¼c per lb.	19,947,316	806,111	49,868	
Other fresh fruit	Lb.	750	Other fresh fruit	35%	58,955,119	2,070,470	362,332	
Dried evaporated fruits:								
Pears	Lb.	748	Pears, dried	2c per lb.	4,576,466	573,302	45,765	
Raisins	Lb.	742	Raisins	2c per lb.	149,686,659	8,390,051	1,496,857	
Apples	Lb.	734	Apples, dried	2c per lb.	37,889,187	4,633,108	378,892	
Apricots	Lb.	735	Apricots, dried	2c per lb.	21,264,616	3,515,207	212,646	
Peaches	Lb.	745	Peaches, dried	2c per lb.	7,785,897	842,091	77,859	
Prunes	Lb.	747	Prunes, dried	¼c per lb.	197,227,583	14,837,915	493,069	
Other dried and evaporated	Lb.	750	Fruits, dried, n. s. p. f.	35%	13,568,690	1,489,398	260,645	
Canned fruits:								
Berries	Lb.	736	Berries, edible, prepared or preserved	35% ad valorem	12,684,141	1,307,719	228,851	
Apples and applesauce	Lb.	734	Apples, otherwise prepared or preserved	2¼c per lb.	22,963,281	1,185,349	287,041	
Apricots	Lb.	735	Apricots, otherwise prepared or preserved	35% ad valorem	30,246,105	2,947,925	515,887	
Cherries	Lb.	737	Cherries, prepared or preserved in any manner	5¼c per lb. and 40%	2,069,091	353,039	127,508	
Prunes	Lb.	747	Prunes, otherwise prepared or preserved	35%	2,616,486	264,293	46,251	
Peaches	Lb.	745	Peaches, otherwise prepared or preserved	35%	90,040,895	8,315,560	1,455,223	
Pears	Lb.	748	Pears, otherwise prepared or preserved	35%	56,075,297	6,241,697	1,092,297	

<sup>2</sup> "All other" class in export classification does not correspond with "all other" class in tariff classification, so that it is impossible to determine debenture rate which should be used.



## EXPORT DEBENTURES, SECTION 321, H. R. 2667—Continued

I. Proposed export debenture rates applied to exports of agricultural products (except cotton and tobacco) and manufactures thereof, calendar year 1929—Continued

A. AT DEBENTURE RATES EQUAL TO ONE-HALF THE TARIFF RATES OF H. R. 2667 AS PASSED BY THE HOUSE OF REPRESENTATIVES

Commodity	Unit of quantity	Paragraph No., H. R. 2667	Tariff classification of commodity	Tariff rates in H. R. 2667 as passed by the House	Exports, 1929		Debenture cost	Notes
					Quantity	Value		
Canned fruits—Continued								
Pineapples	Lb.	746	Pineapples, otherwise prepared or preserved.	2c per lb.	46,153,359	\$4,557,493	\$461,534	
Fruits for salad	Lb.				33,874,645	5,139,561		No corresponding rate. <sup>1</sup>
Other canned fruits	Lb.				10,643,848	1,051,967		No corresponding rate. <sup>1</sup>
Preserved fruits, jellies, and jams	Lb.	749	Jellies, jams, marmalades.	35%	2,413,139	455,325	79,682	
Other fruit preparations	Lb.	750	Fruits, otherwise prepared or preserved.	35%	23,915,146	1,225,209	214,412	
Peanuts	Lb.	757	Peanuts (shelled) Peanuts (unshelled)	7c per lb. 4½c per lb.	4,880,038	408,004	154,026	Assuming an average of 75% shelled, 25% not shelled, the ratio of imports into Canada from United States fiscal year 1929.
Other nuts	Lb.				6,020,135	1,072,886		No corresponding rate. <sup>1</sup>
Cottonseed oil:								
Crude	Lb.	55	Cottonseed, oil	3c per lb.	19,172,131	1,542,241	287,582	
Refined	Lb.		Cottonseed, oil	3c per lb.	6,962,890	845,415	103,543	
Corn oil	Lb.	54	Oils, n. s. p. f.	20%	315,255	42,329	4,233	
Vegetable-oil lard, compounds	Lb.	703	Lard compounds and lard substitutes.	5c per lb.	6,342,631	866,597	158,566	
Other edible vegetable oil and fats	Lb.				3,893,049	616,804		No corresponding rate. <sup>1</sup>
Molasses	Gal.	502	Testing not above 48% total sugars. Testing above 48% total sugars.	3.3c per gal. 6c add. each per cent total sugars.	8,577,399	768,897	450,313	Assuming an average of 60%.
Honey	Lb.	716	Honey	3c per lb.	8,675,707	775,340	130,135	
Glucose (corn sirup)	Lb.	503	Dextrose	2c per lb.	118,523,086	4,412,137	1,185,231	
Grape sugar (corn sugar)	Lb.	503	Dextrose	2c per lb.	7,238,983	268,664	72,390	
Sirup, including maple	Lb.	503	Maple sirup	5c per lb.	3,175,595	972,814	79,390	
Corn starch and corn flour	Lb.	85	Starches, n. s. p. f.	1½c per lb.	235,041,590	8,857,751	1,762,812	
Other starch	Lb.	83	Potato starch	2½c per lb.	3,779,129	181,513	47,239	
Broomcorn	Long ton	777	Broomcorn	\$10 per short ton	4,371	597,292	24,478	
Hops	Lb.	778	Hops	24c per lb.	7,677,157	1,383,841	921,259	
Wool and mohair, unmanufactured	Lb.	1102	Wool in the grease or washed per pound of clean content.	34c per lb.	239,336	87,592	19,123	Assuming exports are of 47% clean content.
Total—Agricultural products (except cotton and tobacco) and manufactures thereof.							89,063,140	

<sup>1</sup> "All other" class in export classification does not correspond with "all other" class in tariff classification, so that it is impossible to determine debenture rate which should be used.

B. AT DEBENTURE RATES EQUAL TO ONE-HALF THE TARIFF RATES OF H. R. 2667 AS PASSED BY THE SENATE

Commodity	Unit	Paragraph No., Senate bill, H. R. 2667	Tariff classification of commodity	Tariff rates in H. R. 2667 as passed by the Senate	Quantity or value of exports, 1929	Debenture cost	Notes
Hogs	No.	703	Hogs	2c per lb.	27,017	\$67,542	On assumption of average weight of 250 lbs. per head.
Sheep	No.	702	Sheep	\$3 per head	15,431	23,146	
Poultry, live	No.	711	Poultry, live	8c per lb.	448,611	17,944	
Beef and veal, fresh	Lb.	701	Beef and veal, fresh	6c per lb.	2,917,859	87,536	
Beef and veal, pickled or cured	Lb.	706	Meats, preserved	6c per lb. but not less than 20%.	10,824,870	324,746	Calculated on the specific rate.
Pork:							
Fresh	Lb.	703	Pork, fresh	2½c per lb.	13,539,070	169,238	
Wiltshire sides, shoulders, sides, and hams.	Lb.	703	Other pork, prepared or preserved	3½c per lb.	5,039,034	818,843	
Hams and shoulders, cured	Lb.	703	Hams and shoulders	3½c per lb.	125,796,826	2,044,198	
Bacon	Lb.	703	Bacon	3½c per lb.	138,423,370	2,249,380	
Cumberland sides	Lb.	703	Other pork, prepared or preserved	3½c per lb.	5,858,054	95,193	
Pickled	Lb.	703	Other pork, prepared or preserved	3½c per lb.	44,787,116	727,791	
Mutton and lamb	Lb.	702	Mutton, fresh	5c per lb.	835,411	27,569	On assumption that 80% of exports are lamb, 20% mutton.
Sausage, not canned	Lb.	706	Lamb, fresh	6c per lb. but not less than 20%.	3,724,042	112,415	Calculated on the ad valorem rate.
			Meats, preserved	6c per lb. but not less than 20%.	\$1,124,153		
Canned meats:							
Beef	Lb.	706	Meats, preserved	6c per lb. but not less than 20%.	2,666,162	94,546	Calculated on the ad valorem rate.
					\$945,462		
Pork	Lb.	703	Pork, prepared or preserved	3½c per lb.	10,239,914	166,399	
Sausage	Lb.	703	Pork, prepared or preserved	3½c per lb.	2,139,100	34,760	
Other	Lb.	706	Meats, preserved	6c per lb. but not less than 20%.	2,266,448	67,993	Calculated on the specific rate.
Poultry and game, fresh	Lb.	712	Chickens, ducks, geese, guineas, turkeys.	10c per lb.	\$614,887	123,629	
					2,472,574		
Other meats (including edible offal)	Lb.	706	Meats, preserved	6c per lb. but not less than 20%.	41,422,103	1,242,663	Calculated on the specific rate.
					4,610,789		
Sausage casings:							
Hog casings	Lb.	1758	Sausage casings	Free	12,905,125		
Beef casings	Lb.	1758	Sausage casings	Free	16,820,424		
Other casings	Lb.	1758	Sausage casings	Free	2,911,194		
Oleo oil	Lb.	701	Oleo oil	1c per lb.	68,208,850	341,044	
Oleo stock	Lb.	701	Tallow	½c per lb.	8,095,202	20,238	
Tallow	Lb.	701	Tallow	½c per lb.	3,840,020	9,600	
Lard	Lb.	703	Lard	3c per lb.	847,867,918	12,718,019	

## EXPORT DEBENTURES, SECTION 321, H. R. 2667—Continued

I. Proposed export debenture rates applied to exports of agricultural products (except cotton and tobacco) and manufactures thereof, calendar year 1929—Continued

B. AT DEBENTURE RATES EQUAL TO ONE-HALF THE TARIFF RATES OF H. R. 2667 AS PASSED BY THE SENATE—continued

Commodity	Unit	Para- graph No., H. R. 2667	Tariff classification of commodity	Tariff rates in H. R. 2667 as passed by the Senate	Quantity or value of ex- ports, 1929	Debenture cost	Notes
Lard compounds containing animal fats.	Lb.	703	Lard compounds and lard substitu- tutes.	5c per lb.	3,632,219	\$90,805	
Oleo and lard stearin.	Lb.	701	Oleo stearin.	1c per lb.	3,930,682	19,653	
Oleomargarine of animal or vegetable fats.	Lb.	709	Oleomargarine.	14c per lb.	901,625	63,114	
Milk and cream:							
Fresh and sterilized.	Gal.	707	Whole milk.	6¼c per gal.	180,217	5,857	
Condensed, sweetened.	Lb.	708	Milk, condensed or evaporated, sweetened.	2¼c per lb.	41,242,812	567,089	
Evaporated.	Lb.	708	Milk, condensed or evaporated, unsweetened.	1½c per lb.	68,942,613	620,484	
Dried.	Lb.	708	Dried whole milk.	6¼c per lb.	5,342,301	162,495	
Butter.	Lb.	709	Butter.	14c per lb.	3,724,245	200,097	
Cheese.	Lb.	710	Cheese.	8c per lb. but not less than 42% ad valorem.	2,646,009 \$735,333	154,420	{ Calculated on the ad va- lorem rate.
Infants' foods, malted milk, etc.	Dol.	708	Malted milk and compounds or sub- stitutes for milk or cream.	35% ad valorem.	\$655,844	114,773	
Eggs in the shell.	Dol.	713	Eggs of poultry, in the shell.	10c per doz.	12,074,830	603,742	
Eggs and yolks, frozen, dried, and canned.	Lb.	713	Whole eggs, egg yolk, and egg albu- men, frozen.	11c per lb.	325,706	17,914	
Meat extracts and bouillon cubes.	Lb.	705	Extract of meat, including fluid.	15c per lb.	185,116	13,884	
Gelatin.	Lb.	41	Edible gelatin, valued at 40c or more per lb.	{ 20% and 7c per lb.	{ 299,620 \$168,696	26,306	
Hides and skins, raw:							
Cattle hides.	Dol.	1691	Hides, cattle.	Free.	\$3,516,494		
Calfskins.	Dol.	1691	Hides, cattle.	Free.	\$1,539,559		
Sheep and goat skins.	Lb.	1769	Skins of all kinds, raw and hides, n. s. p. f.	Free.	1,864,136		
Other hides and skins.	Lb.	1769	Skins of all kinds, raw and hides, n. s. p. f.	Free.	6,358,641		
Horses other than breeding.	No.	714	Valued at not more than \$150 per head.	\$30 per head.	7,358		Assuming all exports valued at not more than \$150 per head.
Mules, asses, and burros.	No.	714	Valued at more than \$150 per head.	{ 20% \$30 per head. 20% \$1,812,965	{ \$722,202 15,295	110,370	Assuming all exports valued at not more than \$150 per head.
Barley.	Bu.	722	Barley.	20% per bu. of 48 lbs.	28,523,077	2,952,308	
Malt.	Bu.	722	Barley malt.	40c per 100 lb.	3,380,783	229,893	Exports in bu. converted at 34 lbs. per bu.
Buckwheat.	Bu.	723	Buckwheat.	25c per 100 lb.	191,141	11,468	Exports in bu. converted at 48 lbs. per bu.
Corn.	Bu.	724	Corn.	25c per bu. of 56 lbs.	33,745,270	4,218,159	
Cornmeal.	Bbl.	724	Cornmeal.	50c per 100 lbs.	267,121	130,889	Exports in bbls. converted at 196 lbs. per bbl.
Hominy and corn grits.	Lb.	724	Corn grits.	50c per 100 lbs.	14,383,857	35,960	
Corn breakfast foods ready to eat.	Dol.	732	Cereal breakfast foods.	20% ad valorem.	\$525,341	52,534	
Oats.	Bu.	726	Oats.	16c per bu. of 32 lbs.	6,608,727	528,698	
Oatmeal, flaked and rolled oats.	Lb.	726	Oatmeal and rolled oats.	80c per 100 lbs.	\$1,245,501	324,982	
Rice.	Lb.	727	Rice.	1¼c per lb.	\$15,441,412	1,971,509	
Rice flour, meal, and broken rice.	Lb.	727	Broken rice, rice meal, flour, polish, and bran.	½c per lb.	70,593,596	220,605	
Rye.	Bu.	728	Rye.	15c per bu. of 56 lbs.	3,433,576	257,518	
Rye flour.	Bbl.	728	Rye flour and meal.	45c per 100 lbs.	14,764	6,511	Exports in bbls. converted at 196 lbs. per bbl.
Wheat.	Bu.	729	Wheat.	42c per bu. of 60 lbs.	90,129,600	18,927,216	
Wheat flour.	Bbl.	729	Wheat flour.	\$1.04 per 100 lbs.	13,663,457	10,633,038	Exports in bbls. converted at 196 lbs. per bbl. \$3,292,757 debenture on export of wheat flour made from foreign wheat deducted from original total of \$13, 925,795.
Biscuits and crackers:							
Plain.	Dol.	733	Biscuits, etc.	30% ad valorem.	\$1,114,887	167,233	
Sweetened.	Dol.	733	Biscuits, etc.	30% ad valorem.	\$916,221	137,433	
Macaroni, etc.	Lb.	725	Macaroni, etc., containing no eggs.	2c per lb.	10,740,479	107,405	
Wheat breakfast foods:							
Ready to eat.	Dol.	732	Cereal breakfast foods.	20% ad valorem.	\$181,511	18,151	
To be cooked.	Dol.	732	Cereal breakfast foods.	20% ad valorem.	\$140,740	14,074	
Cereal foods, n. e. s.	Dol.	732	Cereal breakfast food, etc.	20% ad valorem.	\$496,361	49,636	
Other grains and preparation.	Dol.	732	Cereal preparations.	20% ad valorem.	\$952,442	95,244	
Hay.	Ton.	779	Hay.	\$5 per short ton.	11,073	31,004	
Kaffir and milo.	Dol.	1558	Raw product, n. s. p. f.	10% ad valorem.	\$2,337,928	116,896	
Beans, dried.	Bu.	765	Beans, dried.	3c per lb.	201,218	262,096	Exports in bu. converted at 60 lbs. per bu.
Peas, dried.	Bu.	769	Peas, dried.	1¼c per lb.	114,320	58,017	Exports in bu. converted at 58 lbs. per bu.
Potatoes, white.	Bu.	771	Potatoes, white or Irish.	75c per 100 lbs.	2,734,530	615,269	Exports in bu. converted at 60 lbs. per bu.
Onions.	Bu.	770	Onions.	2¼c per lb.	580,273	413,445	Exports in bu. converted at 57 lbs. per bu.
Other fresh vegetables.	Dol.	774	Vegetables, all other.	50% ad valorem.	\$6,340,092	1,585,023	Export and tariff classi- fications not identical but it is believed rates would average at least 50%.
Vegetables canned:							
Asparagus.	Dol.	775	Vegetables, prepared or preserved, n. s. p. f.	35% ad valorem.	\$3,544,726	620,327	
Baked beans and pork and beans.	Lb.	765	Beans, prepared or preserved.	3c per lb.	7,664,894	114,973	
Corn.	Dol.	775	Vegetables, prepared or preserved, n. s. p. f.	35% ad valorem.	\$629,133	110,068	



## EXPORT DEBENTURES, SECTION 321, H. R. 2667—Continued

I. Proposed export debenture rates applied to exports of agricultural products (except cotton and tobacco) and manufactures thereof, calendar year 1929—Continued

B. AT DEBENTURE RATES EQUAL TO ONE-HALF THE TARIFF RATES OF H. R. 2667 AS PASSED BY THE SENATE—continued

Commodity	Unit	Para- graph No. Senate bill, H. R. 2667	Tariff classification of commodity	Tariff rates in H. R. 2667 as passed by the Senate	Quantity or value of ex- ports, 1929	Debenture cost	Notes
Vegetables, canned—Continued.							
Peas.....	Lb.....	769	Peas, prepared or preserved.....	2c per lb.....	8,384,573	\$83,846	
Soups.....	Dol.....	775	Soups.....	35% ad valorem.....	\$2,722,575	476,451	
Tomatoes.....	Dol.....	772	Tomatoes, prepared or preserved.....	50% ad valorem.....	\$340,078	85,026	
Other canned vegetables.....	Dol.....	775	Vegetables, prepared or preserved, n. s. p. f.....	35% ad valorem.....	\$808,444	141,478	
Pickles.....	Dol.....	775	Vegetables, prepared or preserved, n. s. p. f.....	35% ad valorem.....	\$386,367	67,614	
Catsup and other tomato sauces.....	Dol.....	775	Vegetables, prepared or preserved, n. s. p. f.....	35% ad valorem.....	\$1,490,084	260,765	
Other sauces and relishes.....	Dol.....	775	Vegetables, prepared or preserved, n. s. p. f.....	35% ad valorem.....	\$769,847	134,723	
Vinegar.....	Gal.....	738	Vinegar.....	8c per pt. gal.....	\$318,511	12,740	
Yeast.....	Dol.....	1,558	Unenumerated mfg. article.....	20% ad valorem.....	\$652,804	65,289	
Other vegetable preparations.....	Lb.....				2,969,034		No corresponding rate.
Grapefruit.....	Box.....	743	Grapefruit.....	1½c per lb.....	976,264	512,539	Exports in boxes converted at 70 lbs. per box.
Lemons.....	Box.....	743	Lemons.....	2½c per lb.....	266,358	246,381	Exports in boxes converted at 74 lbs. per box.
Oranges.....	Box.....	743	Oranges.....	1c per lb.....	5,510,514	1,928,680	Exports in boxes converted at 70 lbs. per box.
Pineapples.....	Box.....	747	Pineapples.....	50c per crate.....	50,791	12,698	Per crate of 2.45 cu. ft.
Apples—							
In boxes.....	Box.....				9,452,588	992,522	Exports in boxes converted at 42 lbs. per box.
In barrels.....	Bbl.....	734	Apples.....	25c per bu. of 50 lbs.....	2,467,948	1,011,859	Exports in bbls. converted at 3.28 bu. per bbl.
Berries.....	Lb.....	736	Berries.....	1½c per lb.....	14,728,517	92,053	
Grapes.....	Lb.....	742	Grapes.....	25c per cu. ft.....	47,306,879	153,747	Exports in lbs. converted at 38.4 lbs. per cu. ft.
Pears.....	Lb.....	749	Pears.....	1½c per lb.....	69,995,885	174,990	
Peaches.....	Lb.....	745	Peaches.....	1½c per lb.....	19,947,316	49,868	
Other fresh fruit.....	Dol.....	752	Other fresh fruit.....	35% ad valorem.....	\$2,070,470	362,332	
Dried and evaporated fruits:							
Pears.....	Lb.....	749	Pears, dried.....	2c per lb.....	4,576,466	45,765	
Raisins.....	Lb.....	742	Raisins.....	2c per lb.....	149,686,659	1,496,867	
Apples.....	Lb.....	734	Apples, dried.....	2c per lb.....	37,889,187	378,892	
Apricots.....	Lb.....	735	Apricots, dried.....	2c per lb.....	21,264,616	212,646	
Peaches.....	Lb.....	745	Peaches, dried.....	2c per lb.....	7,785,897	77,859	
Prunes.....	Lb.....	748	Prunes, dried.....	2c per lb.....	197,227,583	1,972,276	
Other dried and evaporated fruits.....	Dol.....	752	Fruits, dried, n. s. p. f.....	35% ad valorem.....	\$1,489,398	260,645	
Canned fruits:							
Berries.....	Dol.....	736	Berries, edible, prep. or preserved.....	35% ad valorem.....	\$1,307,719	228,851	
Apples and applesauce.....	Lb.....	734	Apples, otherwise, prep. or preserved.....	2½c per lb.....	22,963,281	287,041	
Apricots.....	Dol.....	735	Apricots, otherwise, prep. or preserved.....	35% ad valorem.....	\$2,947,925	515,887	
Cherries.....	Lb.....	737	Cherries, prep. or pres. in any manner.....	9½c per lb. and 40% ad valorem.....	2,069,091	168,890	
Prunes.....	Dol.....	748	Prunes, otherwise prep. or pres.....	35% ad valorem.....	\$294,293	46,251	
Peaches.....	Dol.....	745	Peaches, otherwise prep. or pres.....	35% ad valorem.....	\$8,315,560	1,455,223	
Pears.....	Dol.....	749	Pears, otherwise prep. or pres.....	35% ad valorem.....	\$6,241,697	1,092,297	
Pineapples.....	Lb.....	747	Pineapples, otherwise prep. or pres.....	2c per lb.....	46,153,359	461,534	
Fruits for salad.....	Lb.....				33,874,645		No corresponding rate.
Other canned fruits.....	Lb.....				10,643,848		No corresponding rate.
Preserved fruits, jellies, and jams.....	Dol.....	751	Jellies, jams, marmalades.....	35% ad valorem.....	\$453,325	79,682	
Other fruit preparations.....	Dol.....	752	Fruits, otherwise prep. or pres.....	35% ad valorem.....	\$1,225,209	214,412	
Peanuts.....	Lb.....	759	{Peanuts, shelled..... Peanuts, not shelled.....}	{7c per pound..... 4½c per pound.....}	{4,880,038 6,020,135}	{154,026 287,582}	{Assuming an average of 75% shelled, 25% not shelled the ratio of imports into Canada from United States fiscal year 1929. No corresponding rate.
Other nuts.....	Lb.....						
Cottonseed oil:							
Crude.....	Lb.....	54	Cottonseed oil.....	3c per lb.....	19,172,131	287,582	
Refined.....	Lb.....	54	Cottonseed oil.....	3c per lb.....	6,202,890	103,543	
Corn oil.....	Dol.....	53	Oils, n. s. p. f.....	20% ad valorem.....	\$42,329	4,233	
Vegetable-oil lard compounds.....	Lb.....	703	Lard compounds and lard substitutes.....	5c per lb.....	6,342,631	158,566	
Other edible vegetable oils and fats.....	Lb.....				3,893,049		No corresponding rate.
Molasses.....	Gal.....	502	{Testing not above 48% total sugar..... Testing above 48% total sugar.....}	{½c per gal..... 0.275c additional each % of total sugar.....}	{8,577,399 8,675,707}	{152,249 130,136}	{Assuming an average of 60%. Assuming exports are of 47% clean content.
Honey.....	Lb.....	716	Honey.....	3c per lb.....	8,675,707	130,136	
Glucose (corn sirup).....	Lb.....	503	Dextrose.....	2c per lb.....	118,523,066	1,185,231	
Grape sugar (corn sugar).....	Lb.....	503	Dextrose.....	2c per lb.....	7,238,983	72,390	
Sirup, including maple.....	Lb.....	503	Maple sirup.....	5½c per lb.....	3,175,595	87,329	
Corn starch and corn flour.....	Lb.....	83	Starches, n. s. p. f.....	1½c per lb.....	235,041,590	1,762,812	
Other starch.....	Lb.....	83	Potato starch.....	2½c per lb.....	3,779,129	47,239	
Broomcorn (long ton).....	Ton.....	779	Broomcorn.....	\$20 per short ton.....	4,371	48,955	
Hops.....	Lb.....	780	Hops.....	24c per lb.....	7,677,157	921,259	
Wool and mohair, unmanufactured.....	Lb.....	1102	Wool in the grease or washed, per pound of clean content.....	34c per lb.....	239,336	19,123	
Total, agricultural products (except cotton and tobacco) and manufactures thereof.....						90,658,358	

## EXPORT DEBENTURES, SECTION 321, H. R. 2667—Continued

I. Proposed export debenture rates applied to exports of agricultural products (except cotton and tobacco) and manufactures thereof, calendar year 1929—Continued

C. AT DEBENTURE RATES EQUAL TO ONE-HALF THE TARIFF RATES OF H. R. 2667 AS TENTATIVELY AGREED UPON BY THE CONFERENCE COMMITTEE AS OF APRIL 18, 1930

Commodity	Unit of quantity	Para- graph No., Senate bill, H. R. 2667	Tariff classification of commodity	Tariff rates in H. R. 2667 as agreed upon by conference com- mittee	Exports, 1929		Debiture cost	Notes
					Quantity	Value		
Hogs.....	No.....	703	Hogs.....	2c per lb.....	27,017	\$464,998	\$67,542	On assumption of aver- age weight of 250 lbs. per head.
Sheep.....	No.....	702	Sheep.....	\$3 per head.....	15,431	211,770	23,146	
Poultry, live.....	Lb.....	711	Poultry, live.....	8c per lb.....	448,611	301,301	17,944	
Beef and veal:								
Fresh.....	Lb.....	701	Beef and veal, fresh.....	6c per lb.....	2,917,859	661,669	87,536	
Pickled or cured.....	Lb.....	706	Meats, preserved.....	6c per lb. but not less than 20%.....	10,824,870	1,321,002	324,746	
Pork:								
Fresh.....	Lb.....	703	Pork, fresh.....	2½c per lb.....	13,539,070	2,169,025	169,238	
Wiltshire sides, shoulders, sides, and hams.....	Lb.....	703	Other pork, prepared or preserved.....	3½c per lb.....	5,039,034	717,892	818,843	
Hams and shoulders, cured.....	Lb.....	703	Hams and shoulders.....	3½c per lb.....	125,796,825	26,461,981	2,044,198	
Bacon.....	Lb.....	703	Bacon.....	3½c per lb.....	138,423,370	20,850,928	2,249,380	
Cumberland sides.....	Lb.....	703	Other pork, prepared or preserved.....	3½c per lb.....	5,858,054	1,123,875	95,193	
Pickled.....	Lb.....	703	Other pork, prepared or preserved.....	3½c per lb.....	44,787,116	6,403,050	727,791	On assumption that 80% of exports are lamb, 20% mutton. Calculated on the ad valorem rate.
Mutton and lamb.....	Lb.....	702	(Mutton, fresh.....	5c per lb.....	835,411	210,807	27,569	
			(Lamb, fresh.....	7c per lb.....				
Sausage, not canned.....	Lb.....	706	Meats, preserved.....	6c per lb. but not less than 20%.....	3,724,042	1,124,153	112,415	
Canned meats:								Calculated on the ad valorem rate.
Beef.....	Lb.....	706	Meats, preserved.....	6c per lb. but not less than 20%.....	2,606,162	945,462	94,546	
Pork.....	Lb.....	703	Pork, prepared or pre- served.....	3½c per lb.....	10,239,914	3,694,820	166,399	
Sausage.....	Lb.....	703	Pork, prepared or pre- served.....	3½c per lb.....	2,139,100	706,424	34,760	
Other.....	Lb.....	706	Meats, preserved.....	6c per lb. but not less than 20%.....	2,266,448	614,887	67,993	Calculated on the specific rate.
Poultry and game, fresh.....	Lb.....	712	Chickens, ducks, geese, guineas, turkeys.....	10c per lb.....	2,472,574	842,303	123,629	
Other meats (including edible offal).....	Lb.....	706	Meats, preserved.....	6c per lb. but not less than 20%.....	41,422,103	4,610,789	1,242,663	Calculated on the specific rate.
Sausage casings—								
Hog casings.....	Lb.....	1,758	Sausage casings.....	Free.....	12,905,125	3,490,267		
Beef casings.....	Lb.....	1,758	Sausage casings.....	Free.....	16,820,424	2,365,785		
Other casings.....	Lb.....	1,758	Sausage casings.....	Free.....	2,911,194	441,335		
Oleo oil.....	Lb.....	701	Oleo oil.....	1c per lb.....	68,208,850	7,501,270	341,044	
Oleo stock.....	Lb.....	701	Tallow.....	½c per lb.....	8,095,202	859,633	20,238	
Tallow.....	Lb.....	701	Tallow.....	½c per lb.....	3,840,020	326,851	9,600	
Lard.....	Lb.....	703	Lard.....	3c per lb.....	847,867,918	107,976,396	12,718,019	
Lard compounds containing animal fats.....	Lb.....	703	Lard compounds and lard substitutes.....	5c per lb.....	3,632,219	457,229	90,805	
Oleo and lard stearin.....	Lb.....	701	Oleo stearin.....	1c per lb.....	3,930,682	440,075	19,653	
Oleomargarine of animal or vege- table fats.....	Lb.....	709	Oleomargarine.....	14c per lb.....	901,625	152,401	63,114	
Milk and cream:								
Fresh or sterilized.....	Gal.....	707	Whole milk.....	6½c per gal.....	180,217	103,571	5,857	
Condensed, sweetened.....	Lb.....	708	Milk, condensed or evaporated, sweet- ened.....	2¾c per lb.....	41,242,812	6,459,419	567,089	
Evaporated.....	Lb.....	708	Milk, condensed or evaporated unsweet- ened.....	1½10c per lb.....	68,942,613	5,844,208	620,484	
Dried.....	Lb.....	708	Dried whole milk.....	6½c per lb.....	5,342,301	1,366,794	162,495	Calculated on the ad valorem rate.
Butter.....	Lb.....	709	Butter.....	14c per lb.....	3,724,245	1,750,278	260,697	
Cheese.....	Lb.....	710	Cheese.....	8c per lb. but not less than 40%.....	2,646,009	735,333	147,067	
Infants' foods, malted milk, etc.....	Lb.....	708	Malted milk and com- pounds or substitutes for milk or cream.....	35% ad valorem.....	2,126,136	655,844	114,773	
Eggs in the shell.....	Doz.....	713	Eggs of poultry, in the shell.....	10c per doz.....	12,074,830	4,081,363	603,742	
Eggs and yolks, frozen, dried, and canned.....	Lb.....	713	Whole eggs, egg yolk, and egg albumen, frozen.....	8c per lb.....	325,706	61,644	13,028	
Meat extracts and bouillon cubes.....	Lb.....	705	Extract of meat, incl. fluid.....	15c per lb.....	185,116	400,077	13,884	
Gelatin.....	Lb.....	41	Edible gelatin, valued at 40c or more per lb.....	20% ad val. and 7c per lb.....	269,620	168,696	26,306	
Hides and skins, raw:								
Cattle hides.....	Lb.....	1691	Hides, cattle.....	10%.....	22,544,535	3,516,494	175,825	
Calfskins.....	Lb.....	1691	Hides, cattle.....	10%.....	6,977,438	1,539,559	76,978	
Sheep and goat skins.....	Lb.....	1769	Skins of all kinds, raw, and hides, n. s. p. f.....	Free.....	1,864,136	577,629		
Other hides and skins.....	Lb.....	1769	Skins of all kinds, raw, and hides, n. s. p. f.....	Free.....	6,358,641	1,161,949		
Horses other than breeding.....	No.....	714	{ Valued not more than \$150 per head.....	{ \$30 per head.....	7,358	722,202	110,370	{ Assuming all exports valued at not more than \$150 per head. Statis- tics do not segregate horses for immediate slaughter.
			{ Valued at more than \$150 per head.....	{ 20% ad valorem.....				
Mules, asses, and burros.....	No.....	714	{ Valued at not more than \$150 per head.....	{ \$30 per head.....	15,295	1,812,965	229,425	{ Assuming all exports valued at not more than \$150 per head. Statis- tics do not segregate mules for imme- diate slaughter.
			{ Valued at more than \$150 per head.....	{ 20% ad valorem.....				
Barley.....	Bu.....	722	Barley.....	20c per bu. of 48#.....	29,523,077	24,154,866	2,952,308	Exports in bu. converted at 34 lbs. per bu.
Malt.....	Bu.....	722	Barley malt.....	40c per 100 lbs.....	3,380,783	3,334,438	229,893	
Buckwheat.....	Bu.....	723	Buckwheat.....	25c per 100 lbs.....	191,141	212,981	11,468	Exports in bu. converted at 48 lbs. per bu.
Corn.....	Bu.....	724	Corn.....	25c per bu. of 56#.....	33,745,270	34,058,510	4,218,159	
Cornmeal.....	Bbl.....	724	Cornmeal.....	50c per 100 lbs.....	267,121	1,330,468	130,889	Exports in bbl. converted at 196 lbs. per bbl.
Hominy and corn grits.....	Lb.....	724	Corn grits.....	50c per 100 lbs.....	14,383,857	304,761	35,960	



## EXPORT DEBENTURES, SECTION 321, H. R. 2667—Continued

I. Proposed export debenture rates applied to exports of agricultural products (except cotton and tobacco) and manufactures thereof, calendar year 1929—Continued

C. AT DEBENTURE RATES EQUAL TO ONE-HALF THE TARIFF RATES OF H. R. 2667 AS TENTATIVELY AGREED UPON BY THE CONFERENCE COMMITTEE AS OF APRIL 18, 1930—CON-

Commodity	Unit of quantity	Para-graph No., Senate bill H. R. 2667	Tariff classification of commodity	Tariff rates in H. R. 2667 as agreed upon by conference committee	Exports, 1929		Debenture cost	Notes
					Quantity	Value		
Corn breakfast foods ready to eat.....	Lb.....	732	Cereal breakfast foods.....	20% ad valorem.....	6,157,114	\$525,341	\$52,534	
Oats.....	Bu.....	726	Oats.....	16c per bu. of 32 lbs.....	6,608,727	3,389,111	528,698	
Oatmeal, flaked and rolled oats.....	Lb.....	726	Oatmeal and rolled oats.....	80c per 100 lbs.....	81,245,501	4,220,140	324,982	
Rice.....	Lb.....	727	Rice.....	13½c per lb.....	315,441,412	12,129,009	1,971,509	
Rice flour, meal, and broken rice.....	Lb.....	727	Broken rice, rice meal, flour, polish, and bran.....	¾c per lb.....	70,593,596	1,980,679	220,605	
Rye.....	Bu.....	728	Rye.....	15c per bu. of 56 lbs.....	3,433,576	3,612,596	257,518	
Rye flour.....	Bbl.....	728	Rye flour and meal.....	45c per 100 lbs.....	14,764	84,699	6,511	Exports in bbls. converted at 196 lbs. per bbl.
Wheat.....	Bu.....	729	Wheat.....	42c per bu. of 60 lbs.....	90,129,600	111,500,615	18,927,216	Statistics do not segregate wheat unfit for human consumption.
Wheat flour.....	Bbl.....	729	Wheat flour.....	1.04 per 100 lbs.....	13,663,457	80,788,765	10,633,038	Exports in bbls. converted at 196 lbs. per bbl. \$3,292,757 debenture on export of wheat flour made from foreign wheat deducted from original total of \$13,925,795.
Biscuits and crackers:								
Plain.....	Lb.....	733	Biscuits, etc.....	30% ad valorem.....	6,743,348	1,114,887	167,233	
Sweetened.....	Lb.....	733	Biscuits, etc.....	30% ad valorem.....	3,874,556	916,221	137,433	
Macaroni.....	Lb.....	725	Macaroni, etc., containing no eggs.....	2c per lb.....	10,740,479	925,004	107,405	
Wheat breakfast foods:								
Ready to eat.....	Lb.....	732	Cereal breakfast foods.....	20% ad valorem.....	1,961,627	181,511	18,151	
To be cooked.....	Lb.....	732	Cereal breakfast foods.....	20% ad valorem.....	1,242,040	140,740	14,074	
Cereal foods, n. e. s.....	Lb.....	732	Cereal breakfast foods, etc.....	20% ad valorem.....	4,638,529	496,361	49,636	
Other grains and preparations.....	Lb.....	732	Cereal preparations.....	20% ad valorem.....	12,373,749	952,442	95,244	
Hay.....	Ton.....	779	Hay.....	\$5 per short ton.....	11,073	267,046	31,004	
Kafir and milo.....	Bu.....	1558	Raw products, n. s. p. f.....	10% ad valorem.....	2,694,978	2,337,928	116,896	
Beans, dried.....	Bu.....	765	Beans, dried.....	3c per lb.....	291,218	1,162,488	262,096	Exports in bu. converted at— 60 lbs. per bu. 58 lbs. per bu. 60 lbs. per bu. 57 lbs. per bu.
Peas, dried.....	Bu.....	769	Peas, dried.....	13½c per lb.....	114,320	483,963	58,017	
Potatoes, white.....	Bu.....	771	Potatoes, white or Irish.....	75c per 100 lbs.....	2,734,530	3,223,436	615,269	
Onions.....	Bu.....	770	Onions.....	2½c per lb.....	580,273	786,507	413,445	
Other fresh vegetables.....	Bu.....	774	Vegetables, all other.....	50% ad valorem.....	199,043,905	6,340,092	1,585,023	Export and tariff classifications not identical, but it is believed rates would average at least 50%.
Vegetables, canned:								
Asparagus.....	Lb.....	775	Vegetables, prep. or pres., n. s. p. f.....	35% ad valorem.....	22,834,475	3,544,726	620,327	
Baked beans and pork and beans.....	Lb.....	765	Beans, prepared or preserved.....	3c per lb.....	7,664,894	667,013	114,973	
Corn.....	Lb.....	775	Vegetables, prep. or pres., n. s. p. f.....	35% ad valorem.....	8,366,230	629,133	110,068	
Peas.....	Lb.....	769	Peas, prepared or preserved.....	2c per lb.....	8,394,573	739,789	83,846	
Soups.....	Lb.....	775	Soups.....	35% ad valorem.....	28,751,205	2,722,575	476,451	
Tomatoes.....	Lb.....	772	Tomatoes, prepared or preserved.....	50% ad valorem.....	4,674,113	340,078	55,020	
Other canned vegetables.....	Lb.....	775	Vegetables, prep. or pres., n. s. p. f.....	35% ad valorem.....	13,126,129	808,444	141,478	
Pickles.....	Lb.....	775	Vegetables, prep. or pres., n. s. p. f.....	35% ad valorem.....	4,136,192	386,367	67,614	
Catsup and other tomato sauces.....	Lb.....	775	Vegetables, prep. or pres., n. s. p. f.....	35% ad valorem.....	11,014,301	1,490,084	260,765	
Other sauces and relishes.....	Lb.....	775	Vegetables, prep. or pres., n. s. p. f.....	35% ad valorem.....	3,732,241	769,847	134,723	
Vinegar.....	Gal.....	738	Vinegar.....	8c per proof gal.....	318,511	167,680	12,740	
Yeast.....	Lb.....	1558	Unenumerated mfr. article.....	20% ad valorem.....	3,584,074	652,894	65,289	
Other vegetable preparations.....	Lb.....				2,969,034	411,648		No corresponding rate. <sup>1</sup>
Grapefruit.....	Box.....	743	Grapefruit.....	1½c per lb.....	976,264	3,619,743	512,539	Exports in boxes converted at 70 lbs. per box.
Lemons.....	Box.....	743	Lemons.....	2½c per lb.....	266,358	1,410,485	246,381	74 lbs. per box.
Oranges.....	Box.....	743	Oranges.....	1c per lb.....	5,510,514	18,745,561	1,928,680	70 lbs. per box.
Pineapples.....	Box.....	747	Pineapples.....	50c per crate.....	50,791	149,126	12,698	Per crate of 2.45 cu. feet.
Apples:								
In boxes.....	Box.....	734	Apples.....	25c per bu. of 50 lbs.....	9,452,588	20,671,242	992,522	Exports in boxes converted at 42 lbs. per box.
In barrels.....	Bbl.....	734	Apples.....	25c per bu. of 50 lbs.....	2,467,948	12,467,077	1,011,859	Exports in bbls. converted at 3.28 bu. per bbl.
Berries.....	Lb.....	736	Berries.....	1½c per lb.....	14,728,517	\$1,424,832	\$92,033	
Grapes.....	Lb.....	742	Grapes.....	25c per cu. foot.....	47,306,879	2,463,724	158,747	Exports in lbs. converted at 35.4 lbs. per cu. ft.
Pears.....	Lb.....	749	Pears.....	1½c per lb.....	69,993,882	4,531,872	174,900	
Peaches.....	Lb.....	745	Peaches.....	1½c per lb.....	19,947,316	806,111	49,868	
Other fresh fruit.....	Lb.....	752	Other fresh fruit.....	35% ad valorem.....	58,955,119	2,070,470	362,332	
Dried and evaporated fruits:								
Pears.....	Lb.....	749	Pears, dried.....	2c per lb.....	4,576,466	573,302	45,765	
Raisins.....	Lb.....	742	Raisins.....	2c per lb.....	149,686,659	8,390,051	1,496,867	
Apples.....	Lb.....	734	Apples, dried.....	2c per lb.....	37,889,187	4,633,108	378,802	
Apricots.....	Lb.....	735	Apricots, dried.....	2c per lb.....	21,264,616	3,515,207	212,646	
Peaches.....	Lb.....	745	Peaches, dried.....	2c per lb.....	7,785,897	842,091	77,859	
Prunes.....	Lb.....	748	Prunes, dried.....	2c per lb.....	197,227,583	14,837,915	1,972,276	
Other dried and evaporated fruits.....	Lb.....	752	Fruits, dried, n. s. p. f.....	35% ad valorem.....	13,568,690	1,489,598	260,645	
Canned fruits:								
Berries.....	Lb.....	736	Berries, edible, prepared or preserved.....	35% ad valorem.....	12,684,141	1,307,719	228,851	

<sup>1</sup> "All other" class in export classification does not correspond with "all other" class in tariff classification, so that it is impossible to determine debenture rate which should be used.

## EXPORT DEBENTURES, SECTION 321, H. R. 2667—Continued

I. Proposed export debenture rates applied to exports of agricultural products (except cotton and tobacco) and manufactures thereof, calendar year 1929—Continued

C. AT DEBENTURE RATES EQUAL TO ONE-HALF THE TARIFF RATES OF H. R. 2667 AS TENTATIVELY AGREED UPON BY THE CONFERENCE COMMITTEE AS OF APRIL 18, 1930—CON.

Commodity	Unit of quantity	Paragraph No., Senate bill H. R. 2967	Tariff classification of commodity	Tariff rates in H. R. 2667 as agreed upon by conference committee	Exports, 1929		Debenture cost	Notes
					Quantity	Value		
Canned fruits—Continued.								
Apples and apple sauce.....	Lb.....	734	Apples otherwise prepared or preserved.	2½¢ per lb.....	22,963,281	\$1,185,349	\$287,041	
Apricots.....	Lb.....	735	Apricots otherwise prepared or preserved.	35% ad valorem...	30,246,105	2,947,925	515,887	
Cherries.....	Lb.....	737	Cherries, prepared or preserved in any manner.	9½¢ per lb. and 40% ad valorem.	2,069,091	353,039	168,890	
Prunes.....	Lb.....	748	Prunes otherwise prepared or preserved.	35% ad valorem...	2,616,486	264,293	46,251	
Peaches.....	Lb.....	745	Peaches otherwise prepared or preserved.	35% ad valorem...	90,040,895	8,315,560	1,455,223	
Pears.....	Lb.....	740	Pears otherwise prepared or preserved.	35% ad valorem...	56,075,297	6,241,697	1,092,297	
Pineapples.....	Lb.....	747	Pineapples otherwise prepared or preserved.	2¢ per lb.....	46,153,359	4,557,493	461,534	
Fruits for salads.....	Lb.....				33,874,645	5,139,561		No corresponding rate. <sup>1</sup>
Other canned fruits.....	Lb.....				10,643,848	1,051,967		No corresponding rate. <sup>1</sup>
Preserved fruits, jellies and jams.....	Lb.....	751	Jellies, jams, marmalades.	35% ad valorem...	2,413,139	455,325	79,682	
Other fruit preparations.....	Lb.....	752	Fruits otherwise prep. or pres.	35% ad valorem...	23,915,146	1,225,209	214,412	
Peanuts.....	Lb.....	759	Peanuts, shelled..... Peanuts, not shelled.....	7¢ per lb..... 4½¢ per lb.....	4,880,038	408,004	154,026	(Assuming an average of 75% shelled and 25% not shelled, the ratio of imports into Canada from the United States, fiscal year 1929.
Other nuts.....	Lb.....				6,020,135	1,072,886		No corresponding rate. <sup>1</sup>
Cottonseed oil:								
Crude.....	Lb.....	54	Cottonseed oil.....	3¢ per lb.....	19,172,131	1,542,241	287,582	
Refined.....	Lb.....	54	Cottonseed oil.....	3¢ per lb.....	6,902,890	845,415	103,543	
Corn oil.....	Lb.....	53	Oils, n. s. p. f.....	20% ad valorem...	315,255	42,329	4,233	
Vegetable oil lard compounds.....	Lb.....	703	Lard compounds & lard substitutes.	5¢ per lb.....	6,342,631	866,597	158,566	
Other edible vegetable oils and fats.....	Lb.....				3,893,049	616,804		No corresponding rate. <sup>1</sup>
Molasses.....	Gal.....	502	Testing not above 48% total sugar. Testing above 48% total sugar.	¼¢ per gal..... 0.275¢ additional each % of total sugar.	8,577,399	768,897	152,249	Assuming an average of 60%.
Honey.....	Lb.....	716	Honey.....	3¢ per lb.....	8,675,707	775,340	130,136	
Glucose (corn sirup).....	Lb.....	503	Dextrose.....	2¢ per lb.....	118,523,086	4,412,137	1,185,231	
Grape sugar (corn sugar).....	Lb.....	503	Dextrose.....	2¢ per lb.....	7,238,983	268,664	72,390	
Sirup, including maple.....	Lb.....	503	Maple sirup.....	5½¢ per lb.....	3,175,595	972,814	87,329	
Cornstarch and corn flour.....	Lb.....	83	Starches, n. s. p. f.....	1½¢ per lb.....	235,041,590	8,857,751	1,762,812	
Other starch.....	Lb.....	83	Potato starch.....	2½¢ per lb.....	3,770,129	181,513	47,239	
Broomcorn, long ton.....	Ton.....	779	Broomcorn.....	\$20 per short ton.....	4,371	597,292	48,955	
Hops.....	Lb.....	780	Hops.....	24¢ per lb.....	7,677,157	1,383,841	921,259	
Wool and mohair, unmanufactured.....	Lb.....	1102	Wool in the grease or washed, per pound of clean content.	34¢ per lb.....	239,336	87,592	19,123	Assuming exports are of 47% clean content.
Total, agricultural products (except cotton and tobacco) and manufactures thereof.....							90,898,922	

<sup>1</sup> The debenture rates upon manufactured food products have been calculated at one-half the duty on such products in H. R. 2667 as passed by the House instead of on the basis of the rates on the basic raw material as proposed in sec. 321, H. R. 2667 as passed by the Senate.<sup>2</sup> "All other" class in export classification does not correspond with "all other" class in tariff classification so that it is impossible to determine debenture rate which should be used.II. Proposed export debenture rates applied in accordance with section 321, H. R. 2667 (as passed by the Senate) to exports of leaf tobacco and manufactures thereof, calendar year, 1929<sup>1</sup>  
[Debenture rates equal one-half the tariff rates of H. R. 2667. (House and Senate bills have identical rates on these paragraphs)]

Commodity	Unit of quantity	Paragraph No. (House bill)	Tariff classification on commodity	Tariff rate on H. R. 2667	Conversion factor	Exports, 1929		Equivalent exports of raw materials (pounds)	Debenture cost
						Quantity	Value		
Leaf tobacco.....	Lbs.....	601	Filler tobacco, if unstemmed.....	35¢ per lb.....	1.0.....	555,415,451	\$145,810,570		\$97,197,704
Stems, trimming and scrap tobacco.....	Lbs.....	601	Filler tobacco, if unstemmed.....	35¢ per lb.....	1.0.....	10,549,278	318,904		1,846,124
Cigarettes.....	M.....	601	Filler tobacco, if unstemmed.....	35¢ per lb.....	2.85 lbs. per 1,000.	8,455,851	16,706,421	24,099,175.35	4,217,356
Chewing tobacco, plug and other.....	Lbs.....	601	Filler tobacco, if unstemmed.....	35¢ per lb.....	.759.....	3,885,754	1,944,027	2,949,287.29	516,125
Smoking tobacco.....	Lbs.....	601	Filler tobacco, if unstemmed.....	35¢ per lb.....	.759.....	1,120,235	733,565	850,258.36	148,795
Other tobacco manufactures.....	Lbs.....	601	Filler tobacco, if unstemmed.....	35¢ per lb.....	.759.....	197,734	111,273	150,080.11	26,264
Tobacco, total.....									103,952,368

<sup>1</sup> Debentures on tobacco products have been calculated on the basis of equivalent exports of leaf tobacco at the leaf tobacco debenture rate.III. Proposed export debenture rates applied in accordance with section 321, H. R. 2667 (as passed by the Senate) to exports of cotton and manufactures thereof, calendar year 1929<sup>1</sup>

Commodity	Unit of quantity	Debenture rate	Conversion factor	Exports, 1929		Equivalent exports of raw materials	Debenture costs	Notes
				Quantity	Value			
Cotton, unmanufactured.....	Lbs.....	2¢ per lb.....	1.0	3,981,509,485	\$770,830,254	3,981,509,485.00	\$79,630,190	
Cotton mill waste.....	Lbs.....	2¢ per lb.....	1.1	59,129,559	6,744,096	65,042,514.90	1,300,850	
Cotton rags, except paper stock.....	Lbs.....	2¢ per lb.....	1.18	21,095,634	1,541,930	24,892,848.10	497,857	

<sup>1</sup> Debentures on cotton products have been calculated on the basis of equivalent exports of raw cotton at the raw cotton debenture rate.



III. Proposed export debenture rates applied in accordance with section 321, H. R. 2667 (as passed by the Senate) to exports of cotton and manufactures thereof, calendar year 1929—Continued

Commodity	Unit of quantity	Debiture rate	Conversion factor	Exports, 1929		Equivalent exports of raw materials	Debiture costs	Notes
				Quantity	Value			
Cotton batting, carded cotton, and roving..	Lbs.....	2c per lb..	1.05	446,301	\$85,812	468,616.05	\$9,372	
Cotton yarn:								
Carded yarn, not combed.....	Lbs.....	2c per lb..	1.18	13,919,250	4,681,954	16,424,715.00	328,494	
Combed yarn.....	Lbs.....	2c per lb..	1.43	13,571,962	10,843,493	19,407,905.66	388,158	
Cotton thread and cordage:								
Sewing thread.....	Lbs.....	2c per lb..	1.43	1,053,882	1,149,515	1,507,051.26	30,141	
Crochet, darning, and embroidery cotton.....	Lbs.....	2c per lb..	1.43	82,825	96,781	118,439.75	2,369	
Twine and cordage.....	Lbs.....	2c per lb..	1.18	4,588,069	1,811,740	5,413,921.42	108,278	
Cotton cloth, duck, and tire fabric:								
Tire fabric—								
Cord.....	Sq. yd.....	2c per lb..	1.25	4,969,963	2,217,421	6,212,453.75	124,249	
Other.....	Sq. yd.....	2c per lb..	1.25	1,353,239	472,945	1,694,048.75	33,881	
Cotton duck—								
Heavy filter paper dryer, hose and belting duck.....	Sq. yd.....	2c per lb..	2.36	688,618	421,641	1,625,138.48	32,503	
Unbleached—								
Ounce.....	Sq. yd.....	2c per lb..	1.18	6,045,770	1,712,012	7,134,008.60	142,680	
Number.....	Sq. yd.....	2c per lb..	1.18	4,249,118	1,720,623	5,013,959.24	100,279	
Bleached.....	Sq. yd.....	2c per lb..	1.18	2,293,417	743,777	2,706,232.06	54,125	
Colored.....	Sq. yd.....	2c per lb..	1.18	1,842,948	631,575	2,174,678.64	43,494	
Cotton cloth, unbleached (gray):								
Drills and twills.....	Sq. yd.....	2c per lb..	.22	12,469,675	1,580,059	2,743,328.50	54,867	
Sheetings, 40 inches and under.....	Sq. yd.....	2c per lb..	.30	82,174,153	7,166,814	24,652,245.90	493,045	
Sheetings, over 40 inches.....	Sq. yd.....	2c per lb..	.30	1,561,372	170,747	468,411.60	9,368	
Osnaburgs.....	Sq. yd.....	2c per lb..	.60	22,581,106	2,292,148	13,548,663.60	270,973	
All other unbleached.....	Sq. yd.....	2c per lb..	.30	19,050,636	1,235,158	5,715,190.80	114,304	
Cotton cloth, bleached:								
Drills and twills.....	Sq. yd.....	2c per lb..	.22	4,507,030	678,925	991,546.60	19,831	
Pajama checks.....	Sq. yd.....	2c per lb..	.20	10,421,548	1,076,341	2,084,309.60	41,686	
Sheetings, 40 inches wide and under.....	Sq. yd.....	2c per lb..	.30	33,575,043	3,849,494	10,072,512.90	201,450	
Sheetings, over 40 inches.....	Sq. yd.....	2c per lb..	.30	12,960,689	1,712,039	3,888,206.70	77,764	
All other bleached.....	Sq. yd.....	2c per lb..	.20	27,839,039	3,273,673	5,567,807.80	111,356	
Cotton cloth, colored:								
Voiles.....	Sq. yd.....	2c per lb..	.13	56,378,646	8,048,951	7,329,223.98	146,584	
Percales and prints—								
32 inches and less.....	Sq. yd.....	2c per lb..	.20	29,991,139	3,114,296	5,998,227.80	119,965	
Over 32 inches.....	Sq. yd.....	2c per lb..	.20	11,595,083	1,610,203	2,319,016.60	46,380	
Flannels and flannelettes.....	Sq. yd.....	2c per lb..	.30	4,451,811	684,812	1,335,543.30	26,711	
Khaki and fustians.....	Sq. yd.....	2c per lb..	.22	4,526,474	904,219	995,824.28	19,916	
Denims.....	Sq. yd.....	2c per lb..	.60	17,229,538	3,152,250	10,337,722.80	206,754	
Suitings (drills, etc.).....	Sq. yd.....	2c per lb..	.60	30,343,950	4,927,863	18,206,370.00	364,127	
Gingham.....	Sq. yd.....	2c per lb..	.22	14,001,954	1,466,375	3,080,429.88	61,609	
Chambrays.....	Sq. yd.....	2c per lb..	.22	16,447,828	1,751,199	3,618,522.16	72,370	
All other printed fabrics 7½ yds. per lb. and lighter.....	Sq. yd.....	2c per lb..	.16	27,556,474	4,451,922	4,409,035.84	88,181	
Heavier than 7½ yds. to a lb.....	Sq. yd.....	2c per lb..	.22	20,847,631	3,691,987	4,586,478.82	91,730	
All other piece dyed fabrics:								
5 yds. per lb. and lighter.....	Sq. yd.....	2c per lb..	.18	24,717,573	3,704,941	4,449,163.14	88,983	
Heavier than 5 yds. per lb.....	Sq. yd.....	2c per lb..	.26	19,201,400	2,808,208	4,992,364.00	99,847	
All other yarn-dyed fabrics.....	Sq. yd.....	2c per lb..	.22	19,807,137	2,963,458	4,357,570.14	87,151	
Cotton and rayon mixtures (chief value cotton).	Sq. yd.....	2c per lb..	.22	18,766,787	5,174,491	4,128,693.14	82,574	
Other cotton fabrics:								
Blankets.....	Lbs.....	2c per lb..	1.25	1,569,156	885,311	1,961,445.00	39,229	
Damasks.....	Sq. yd.....	2c per lb..	.37	780,072	244,629	288,626.64	5,773	
Pile fabrics, plushes, velveteen, corduroys.....	Sq. yd.....	2c per lb..	.74	494,061	412,193	365,605.14	7,312	
Tapestry and other upholstery goods.....	Sq. yd.....	2c per lb..	1.00	293,125	305,280	293,125.00	5,862	
Cotton fabrics sold by the pound.....	Lbs.....	2c per lb..	1.17	10,129,620	3,756,248	11,851,655.40	237,033	
Cotton wearing apparel:								
Knit goods—								
Gloves.....	Doz. prs..	2c per lb..	1.20	125,563	\$219,413	\$150,675.60	\$3,014	
Hosiery—								
Women's.....	Doz. prs..	2c per lb..	1.80	1,941,831	3,442,369	3,495,295.80	69,906	About 1½ lbs. per doz. finished weight, 20% waste allowed.
Children's.....	Doz. prs..	2c per lb..	1.80	751,213	1,143,977	1,352,183.40	27,044	About 1½ lbs. per doz. finished weight, 20% waste allowed.
Men's socks.....	Doz. prs..	2c per lb..	1.20	1,084,490	1,855,703	1,301,388.00	26,028	About 1 lb. per doz. finished weight, 20% waste allowed.
Underwear.....	Doz.....	2c per lb..	12.00	610,616	\$2,194,452	7,327,392.00	\$146,548	Only rough estimate possible.
Sweaters, shawls, and other knit outerwear.....	No.....	2c per lb..	1.50	504,912	419,844	757,368.00	15,147	Only rough estimate possible.
Other wearing apparel:								
Collars and cuffs.....	Doz.....	2c per lb..		231,206	311,029			Statistics for estimates not available.
Cotton overalls, breeches, and pants.....	Doz.....	2c per lb..		53,965	662,670			Statistics for estimates not available.
Underwear, not knit.....	Doz.....	2c per lb..		116,511	533,583			Statistics for estimates not available.
Shirts.....	Doz.....	2c per lb..	8.00	236,450	2,072,998	1,891,600.00	37,832	
Dresses, skirts, and waists.....	No.....	2c per lb..	\$1.50	610,126	596,177	397,451.33	7,949	
Other cotton clothing.....	No.....	2c per lb..	\$1.25		1,310,938	1,048,750.40	20,975	
Other cotton manufactures:								
Handkerchiefs.....	Doz.....	2c per lb..	{ \$1.40 \$1.25 }	213,752	145,355	76,423.02	1,528	Assuming 75% of imports to be men's handkerchiefs 3 sq. yds. per doz.; 25% women's, 1.361 sq. yds. per doz.
Laces, embroideries, and lace window curtains.....	Yd.....	2c per lb..	\$3.00	4,264,710	215,750	71,916.67	1,438	
Woven belting for machinery.....	Lbs.....	2c per lb..	1.18	424,119	242,368	500,460.42	10,009	
Cotton bags.....	Lbs.....	2c per lb..	1.17	5,906,326	1,209,801	6,910,401.42	138,208	
Quilts, comforts, counterpanes, and bedspreads.....	No.....	2c per lb..	4.00	184,863	272,529	739,452.00	14,789	
Bed sheets, pillow, bolster, and mattress cases.....	Doz.....	2c per lb..	18.00	36,803	276,563	662,454.00	13,249	
Towels, bathmats, and washcloths.....	Doz.....	2c per lb..	4.00	907,073	1,326,797	3,628,292.00	72,566	
Other cotton manufactures.....					4,680,196	( <sup>9</sup> )	( <sup>9</sup> )	
Cotton, total.....							86,725,885	

<sup>2</sup> Per pound.

<sup>3</sup> Men's.

<sup>4</sup> Women's.

<sup>5</sup> Statistics for estimates not available.

III. Proposed export debenture rate applied in accordance with section 321, H. R. 8667 (as passed by the Senate) to exports of cotton and manufactures thereof, calendar year 1929—Continued

Commodity	Unit of quantity	Debenture rate	Conversion factor	Exports, 1929		Equivalent exports of raw materials	Debenture costs	Notes
				Quantity	Value			
Other cotton manufactures—Continued.								
Grand total, using debenture rates equal to one-half tariff rates of H. R. 2667 as passed by House of Representatives I(A)†II†III.							\$279,741,393	
Grand total, using debenture rates equal to one-half tariff rates of H. R. 2667 as passed by Senate I(B)†II†III.							281,336,611	
Grand total, using debenture rates equal to one-half tariff rates of H. R. 2667 as tentatively agreed upon by the Conference Committee as of Apr. 18, 1930—I(C)†II†III.							281,577,175	

Mr. HILL of Washington. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. JONES].

The SPEAKER pro tempore. The gentleman from Texas is recognized for five minutes.

Mr. JONES of Texas. Mr. Speaker and gentlemen of the House, I have before me the platform promises of both political parties. I will read their provisions on the subject of agriculture:

Republican platform, 1928: The Republican Party pledges itself to the enactment of measures which will place agricultural interests of America on a basis of economic equality with other industries to insure its prosperity and success.

The Democratic platform of 1928 provides:

Farm relief must rest on the basis of an economic equality of agriculture with other industries.

You will observe that both promise equality to agriculture. This takes this question out of the realm of politics and makes it one of economic remedies. This is a national question, one in which the whole United States is interested; and I would like for some one who has the gift of prophecy, who understands all knowledge and all mysteries, to tell me just how the surplus products of the farmer are going to be placed upon an equality with industry unless you enact the debenture provision or some similar proposal.

I shall not comment on the efforts of the Farm Board. I wish them every success. But if they were able to establish perfect marketing machinery they would still not be able to restore full equality. The trouble lies deeper than the question of marketing. The tariff increases the price of the farmers' supplies. He must sell his products in the markets of the world. Here lies the trouble and here must be the remedy.

In the brief time I have at my disposal I am going to answer several objections that have been offered. The floor leader of the majority party said it would provoke countervailing duties. My colleague from Georgia [Mr. CRISP] has put into the RECORD a list of 36 countries that are threatening countervailing duties on the tariff. Every day brings new threats of this character. Does that keep them from advocating the passage of a tariff bill?

As a matter of fact, the debenture is much less likely to cause retaliation on the part of foreign governments than a tariff is.

If Brazil should put an export premium upon coffee, when we do not produce coffee, would that cause us to retaliate? Of course not. We would say, "Let them sell it to us just as cheaply as they want to. The countries which buy our products and do not produce cotton and wheat are not going to impose countervailing duties on account of an export duty on either of those commodities."

I have in my hand the daily record of the British Parliament for October 30, 1929. The discussions arose on a motion by Sir Edwin Dillie, "That immediate steps should be taken by the Government to counteract the injurious effects upon British agriculture of the dumping of German wheat and other cereals upon the markets of that country."

That refers to Germany operating under the debenture system. The gentleman from New Jersey [Mr. FORT] says it will produce havoc among the farmers. On the other hand, German economic writers say the immediate effect of it was to increase the price of those products substantially the amount of the debenture. In England they voted down the motion which I referred to by a vote of 266 to 157; that was on the effort to issue a countervailing duty in England. The floor leaders intimated that our surplus crops should be discontinued or restored

to our domestic needs. If that should be done, what would industry do for raw materials when the seasons produced a shortage? We produce an annual average wheat surplus of 200,000,000 bushels. If we are to do away with a 200,000,000-bushel wheat surplus, what are the 400,000 wheat farmers who produce it going to do? Shall they go into dairying? We are already near a surplus of dairy products. What are the 600,000 farmers who produce our cotton surplus going to do? Shall they go into the already overcrowded industries of our country, with their 5,000,000 of unemployed men?

Mr. PURNELL. Mr. Speaker, will the gentleman yield?

Mr. JONES of Texas. I regret I can not.

Another proposition expressed by the floor leader was sympathy for distressed agriculture. What a beautiful sentiment! But sympathy is not what we want. Gentlemen can bottle up their sympathy. What we want is a better price for the farmers' products. [Applause.]

Mr. BACHARACH. Mr. Speaker, I yield six minutes to the gentleman from Iowa [Mr. CAMPBELL].

The SPEAKER pro tempore. The gentleman from Iowa is recognized for six minutes.

Mr. CAMPBELL of Iowa. Mr. Speaker and ladies and gentlemen of the House, in my six minutes of time I am not going to talk on the question of the debenture, but I am just going to present to the House a map that came from the Department of Agriculture.

This map shows the condition of industry as related to the farmer. We find that from 1910 to 1915 industry and the farm were on a par. We find that in 1915, and subsequently, the prices of farm products went up over 200 per cent. Now a good many people wonder why during the time of the war the farmers of America did not get rich. The truth is that when they came to sell their products at a high price the things they had to buy in the support and comfort of themselves and their families went up in price.

Then the drop came following the war. I just want to take one minute to pay a compliment to the people who voted for the emergency tariff. I have looked up their records, and I found Democrats and Republicans who voted at that time for the emergency tariff bill. We find that during the entire period, and at present it is 3 per cent lower than when this chart was made, the farmer is below industry. In other words, the farmer's dollar is worth 82 cents, as against 100 cents industry, and for the things that he buys.

Now, taking into consideration the campaign promises made by both the Republican and Democratic Parties, the question is, What method are we going to use at this time? How are you going to keep those campaign promises? When and how are we going to bring the line from down here, where the farmer's dollar is worth 82 cents, up to the industrial dollar, worth 100 cents?

It has been said by the gentleman from New Jersey [Mr. FORT] that the debenture is not the thing to have. I believe if we could give our Farm Board either the optional debenture or if we could give it the optional equalization fee then we will have at least a chance to try it out. [Applause.] I will say with reference to the board that I have stood by them in this fight from one end to the other. I have confidence in the board, but I am afraid that when they go to scoop the grain they will use a teaspoon in place of a scoop. I want to give them all the utensils possible to carry out the plan that was provided in the platforms of both the Republican and Democratic Parties. So I say to you that if we give them the debenture and they put it on and they find the result is just as was said by the gentleman from New Jersey, then there is only one thing to do. If



you have a bad thing, do not carry it on; but if you have a good thing, then carry it on.

I just wanted to bring this to your attention at this time, and that is all the time I will use.

I yield back the balance of my time, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Iowa [Mr. CAMPBELL] yields back one minute.

Mr. CULLEN. Mr. Speaker, I yield the balance of my time to my colleague from New York [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Speaker and my colleagues, "he that would bring home the wealth of the Indies must carry the wealth of the Indies with him." That maxim, chiseled on the pediment of the Union Terminal in the Capital of our Nation, puts in beautiful diction a great truth—a permanent lesson in the fundamental principles of political economy. It means that he who wishes to buy must take something with him to barter with and that he who would sell must be willing to buy.

We seem to have lost sight of that fundamental principle. For 140 years we have been building up an artificial tariff system in contradiction of that basic truth. While erecting barriers against the commodities of other nations, we strangely cling to the delusion that they may be forced, in some mysterious way, to purchase our commodities. That is inconsistent—for commerce must always be mutual.

Where you want to sell you must be willing to buy. No nation can be evenly, uniformly, and consistently prosperous where it deliberately builds about itself a barrier to harass and obstruct commerce with other nations. Some countries are content to follow this course and take the inevitable consequences, but we think, apparently, that we can both eat our cake and have it. We deny our markets to the outside world and yet expect the world to open its markets to us.

#### 140 YEARS OF TARIFF TINKERING

There are two ways of ascertaining the efficiency of a given economic device. We can work it out by the mere power of logical deduction, or we can take historical experience. Fortunately, or perhaps unfortunately, we have an historic experience to enable us to tell precisely how far we have succeeded in promoting our trade and commerce through the medium of artificial customs duties.

In 140 years we have had 42 different tariff acts. The first, the tariff act of 1789, was barely cold before revisions were demanded. Between 1789 and 1816 there were 17 amendments to the original tariff bill. In the act of 1823, we might note in passing, the protective policy was given the euphonious title of the "American system."

In 1828 came the tariff of abominations that nearly brought on civil war and gave impetus to the nullification idea. I have not the time to run down the list. I made an elaborate study of the subject in my speech of May 27 last year, when this present bill was under consideration. My remarks were entitled "One Hundred and Forty Years of Tariff Tinkering," and I shall be glad to send a copy to any Member desiring to refresh his recollection. I gave a history of our tariff legislation from 1789. The roster is appalling—32 tariffs in 140 years. Figure it out for yourselves. An average duration of 4½ years.

Does not all of this teach some lesson? Does it not show how utterly futile artificial tariff barriers are bound to be, in the very nature of things? No sooner are high prices, following an increase of the tariff, distributed throughout the economic system than those who demanded the tariff find that they are in no better position than they were in before. Everything in the meantime has adjusted itself, true to the laws of nature, even as water seeks its own level.

#### THE HAWLEY-SMOOT BILL

Here we have a bill of 535 pages, containing over 4,000 specific items, ranging through every industry from machinery, textiles, raw materials, down to rare, unpronounceable chemicals—4,000 items. And to top that the Senate made 1,253 amendments.

As I said in my remarks last year:

It is quite obvious that no human agency is capable of handling such a program of revision in a few months and do justice to all. It is certain that neither this Congress nor any other Congress is competent, either in experience, in knowledge of the details, or in physical strength, to pass upon such a measure intelligently in the few days given to its consideration. The membership on the other side of the aisle are taking it on faith, while we on this side must bow our heads to the inevitable.

#### TARIFFS SIMPLY INDIRECT TAXATION

But the worst feature of this protective tariff bill is that it handles the subject topsy-turvy. Fundamental principles are forgotten—if ever understood at all. The framers of this bill fail utterly to recognize that a tariff on imports comes under the head of indirect taxation. While an indirect tax is the easiest to collect it is the hardest to distribute justly and equitably. It

falls inevitably upon the ultimate consumer. But, as every form of taxation falls upon those who have nothing to sell but their labor, you would think that it behooves those imposing such taxes to see that they are made as light as possible. That point seems to be forgotten.

In the very nature of things, a tariff tax does not lend itself to a simple disposition on those intended perhaps to be taxed, for in every step in its progress, as the impost is shifted from one to another, the load is pyramided by fractional increments, consequently every raise in the general average of tariff rates increases disproportionately the burden on the ultimate consumer.

#### NO PROTECTIVE TARIFF HAS EVER BEEN A SUCCESS

Past experience shows that no tariff involving the protection idea as its main purpose has ever been a success.

That is the record. There are reasons for it, of course, if we are not too mentally lazy to dig for them, but some lie on the surface.

Let us examine this first. The protective theory involves the purpose of putting an embargo on foreign competition. If it is carried out, it necessarily gives a monopoly in the commodities affected to the domestic producer and entails an increase of cost to the consumer.

Where the tariff embraces a large range of products, the increase becomes general, and very soon is reflected over the whole range of commodities. Then follows an inflation of prices.

When that condition is reached there is a reaction. The consumer, who is at the bottom of the pyramid, begins to squirm from the pressure on top of him. He has no goods to sell upon which enhanced prices may be demanded to equalize his condition—nothing but his labor. He demands more for that, and eventually he gets it.

Then the vicious circle of inflation is complete. The increased cost of everything means a diminished purchasing power for the dollar. The unit of exchange is depreciated. When this stage is reached we find everything in the same relative position as it was before the increased tariff went into operation.

Nature has done its part in adapting itself to artificial instrumentalities. All that we have for our pains is a depreciated dollar.

The greed of those who sought special protection is defeated by the economic forces of nature. The tariff, that was yesterday sufficient to insure large profits, is insufficient to-day, because all other industries and activities have fought for their share of the booty and have gotten it.

The next step, of course, is to demand a still higher tariff. When that is granted the processes of exchange go through the same ferment and result, as before, in a general inflation of prices, so that producers are placed in the same relative situation.

We have been going through this fermentation every few years from the moment that the first ingenious demagogue invented the euphonious term "protection" as a bait for the greedy and a sop for the simple.

#### TARIFFS DO NOT PROTECT LABOR

It is a hollow mockery and a sham to say that protective tariffs are imposed for the protection of labor. Labor does not need protection in that way. Its natural state is not pauperism. As a matter of fact, it is labor that is the producer of all wealth and of all capital. It is those men who labor who feed and clothe all others.

The ones who are asking protection are those who are exploiting labor. It is a well recognized fact that the most highly protected industries in the United States are the very ones in which labor has always been receiving the lowest comparative wages.

And the reason for that is obvious. If the laborer happens to get a little more wages, it is simply a reflected result due to the general increase of prices in the effort of nature to readjust itself to the new tariff rates, but he pays for the benefit doubly in the general increase in the cost of living and in the depreciated purchasing power of his dollar.

#### BANEFUL RESULTS OF OUR TARIFF TINKERING

Next to Spain, we have the highest average tariff rates in the world, and the baneful results of this vicious policy are shown in the present precarious situation of our farmers and the lessening productiveness of our industries, with its inevitable inverse growth of unemployment. We are simply standing in our own light—even as Spain is doing. We are tying our own hands and closing our eyes to the almost infinite resources of our country.

At the international economic conference in May, 1927, figures were presented to show the comparative height of various European and American tariffs.

The ratios were as follows:

Index or comparative height:	
Spain.....	41
United States.....	37
France.....	21
Netherlands.....	6
Great Britain.....	5

Since the Fordney-McCumber tariff went into operation in 1922 our imports from Europe increased 29.8 per cent, while our exports have only increased 10.8 per cent.

During this time our total imports have increased 42.5 per cent, while our total exports only increased 25.5 per cent.

The deduction, therefore, is that increased tariffs have the effect of relatively decreasing our exports.

Since we are seeking foreign trade, why put this shackle on our intercourse with the world?

#### STATE AND SECTIONAL RIVALRIES

But by far the worst feature of our tariff system is the unfortunate influence it is perceptibly showing in disintegrating the harmony between the States of our Federal Union. In former days we were content to discriminate against the commodities of foreign countries. As this bill is written to-day we behold a very disturbing manifestation of hostility between the States and different sections of the country. The agricultural sections complain of tariff favors to the industrial States, but their representatives here, instead of fighting for a reduction of the abominable discriminations, bite like fish at the glittering bait of tariff favors begrudgingly thrown out to them. And this, of course, leads to the most pitiable, if not reprehensible, methods of logrolling. If this keeps up longer, instead of being a united Nation we will fall into groups of snarling sections.

In attempting to equalize the discrimination Congress has imposed tariff rates on agricultural products—on wheat, rye, and other products. What has been the result? A dead, flat failure. Of course, no tariff in the world will ever avail in helping the farmer, because his products have their prices fixed in the markets of the world. Everybody recognizes that.

#### EFFECT OF TARIFF ON RECIPROCAL TRADE

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. GRIFFIN. I yield.

Mr. SUMMERS of Washington. In the early part of the gentleman's address he referred to the effect of the tariff on reciprocal trade. Is it not a fact that our imports and exports have been greater during the last eight years than ever before in the history of the country.

Mr. GRIFFIN. Yes; the country is very much larger than it was.

Mr. SUMMERS of Washington. Have they not been larger than in any other country in the history of the world, and larger in proportion than they have been before in this country?

Mr. GRIFFIN. It is not the mere magnitude of exports and imports that counts. The per capita rates of exports and imports is what determines the relative value of economic systems.

The following is a table which shows the relative standing of the United States in trade activity. You will note that we stand last on the list—which shows that we are not taking an effective advantage of our almost boundless resources. New Zealand heads the list with exports of \$186.50 and imports of \$148.90 per capita, respectively. Canada, our next-door neighbor, comes next, with exports of \$142.30 and imports of \$126.60. The United States in contrast stands nineteenth, with exports per capita of \$42.10 and imports per capita of \$33.60.

#### Foreign trade of the United States compared with other countries

Countries	Per capita	
	Exports	Imports
1. New Zealand.....	\$186.50	\$148.90
2. Canada.....	142.30	126.60
3. Denmark.....	126.60	132.80
4. Malaya.....	123.40	126.40
5. Australia.....	106.40	107.50
6. Netherlands.....	103.30	139.60
7. Switzerland.....	101.60	127.50
8. Belgium.....	100.90	105.60
9. Argentina.....	91.00	80.60
10. United Kingdom.....	90.00	127.70
11. Cuba.....	77.30	58.90
12. Sweden.....	69.10	75.00
13. Chile.....	55.10	32.80
14. France.....	49.20	51.20
15. Union of South Africa.....	48.90	47.20
16. Austria.....	46.40	67.00
17. Germany.....	46.00	52.30
18. Czechoslovakia.....	43.50	39.30
19. United States.....	42.10	33.60

#### EUROPEAN PROTESTS

A question was asked by the gentleman from Texas as to whether there was any danger of reprisals on the part of European governments. I want to assure the gentleman there is such a danger; that there have been innumerable cartels established by European countries and the movement is still going on. The newspapers are full of reports of protests by France, Spain, and other countries and threats of retaliation are made against us because of our efforts to keep their products out of our markets. There is no doubt about it, and if we put this proposed debenture plan into operation it is practically certain that the countries which we propose to invade with the aid of the debenture subsidy will resort to retaliatory measures to offset it.

#### THE DEBENTURE PLAN

This is what it amounts to: Having failed to obtain a market for our surplus agricultural products, we are now asked to tax the consumers of the Nation by handing over to the agricultural producers several hundred millions of dollars a year in the form of debenture certificates. These are to be issued to the agricultural producers in an amount equivalent to one-half the rate of tariff duty in effect at the time on such products as they may export. In other words, it is proposed to grant the agricultural producers a subsidy for producing a surplus for export. It may be recalled that when the McNary-Haugen bill was under consideration surpluses were characterized as undesirable. Now, the producers are to be rewarded for doing the undesirable. This is certainly fine logic.

Why do they want the debenture plan? Because it is quite obvious that the tariff has been a failure. They frankly admit it. One of the speakers here to-day, speaking in behalf of the debenture plan, asks, "What is the sense of putting a duty on wheat if we will do nothing to make it effective?"

Why, I did not think it would be necessary to do anything further after they got President Coolidge to raise the duty on wheat to 42 cents a bushel. They made us believe that the glorious protective tariff was such a magnificent mechanism that it worked wonders—all by itself. Now they want another panacea to put it into effect, or, as the speaker said, "Make it do what it is supposed to do." There their whole argument is betrayed: "What is the use of a tariff unless you do something to put it into effect," thereby confessing that the tariff in itself will not be effectual in the case of agricultural products.

The surest way to make the tariff effectual is not by constructing additional artificial devices but to strike boldly and ruthlessly at the unconscionable special tariff rates with which the bill is packed for the benefit of favored industrial interests.

The farmer should spurn efforts such as this to hand out to him a mere dole when all that he needs is a fair field that will enable him to get honest value for every dollar he puts out in the purchase of his necessities. Restore the purchasing value of his dollar and the intelligent farmer will be content.

But this subsidy, this additional tax upon the taxpayers of America will do the farmer no good and only make worse the condition of his toiling countrymen. Why impose this experiment, why risk this untried device which promises only foreign reprisals, without the faintest hope of helping those for whom the costly venture is made?

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. HAWLEY. Mr. Speaker, I yield four minutes to the gentleman from Minnesota [Mr. CHRISTGAU].

Mr. CHRISTGAU. Mr. Speaker, ladies and gentlemen of the House, it is rather difficult for me to speak on this subject on the side I am speaking in view of the remarks of our majority leader, in which he presented the opposition of the President to the debenture. I prefer not to speak as a Republican or as a Democrat, but as a farmer. The views I am going to express this afternoon are the result of my experiences on the farm all my life, and also the result of a study of agriculture in Europe, which I made during the last summer, in which I visited the countries of England, Holland, Denmark, Sweden, Germany, Austria, Finland, Poland, Belgium, Czechoslovakia, and Russia. I want to say, first, in regard to the economic soundness of this bill, that I spent six years in studying agricultural economics at the University of Minnesota prior to my entrance into the political arena, and I am somewhat familiar with economic principles. Dr. J. D. Black, who is now professor of agricultural economics at Harvard University, and at one time was the head of the department of agricultural economics at the University of Minnesota, testified before the Senate Committee on Agriculture on the farm-relief problem. Let me say in passing that in the Committee on Agriculture in the Senate there was very little interest in the debenture until some of the leading economists of the Nation testified before that committee. As the result of that testimony, the Committee on Agriculture of



the Senate reported out the debenture, and as the result of that same testimony, I am certain, the Senate adopted that feature.

Doctor Black has made a very close study of all agricultural-relief problems that have been submitted to the Congress ever since farm relief has become a problem, and, among other things, he said this:

Clearly, no one plan is best for all products. For sugar, wool, flaxseed, lemons, beef, and possibly dairy products, surely import duties are to be preferred. For wheat and cotton and cottonseed oil and several types of canned fruits and vegetables and dried fruits the transferable-rights plan has most to recommend it. For corn, pork and lard, poultry products, and possibly dairy products, the export-debenture plan is to be preferred, with rigorous checks on expansion of production. These three methods of raising prices of farm products fit well together. The income receipts from the first two lists of products can be used to pay the bounties on the third list, especially the increase in receipts from the first list from the higher duties that are likely to be imposed.

As the result of this debenture being made a part of the tariff bill in the Senate, a certain newspaper polled the presidents of the land-grant colleges and scientists of this country who are interested in the problems of agriculture. No one can say that the presidents of these land-grant colleges and these scientists were motivated by partisan politics, by sympathy for the farmer or sympathy for industry. They are impartial scientists and, as I recall, over 60 per cent of the presidents of the land-grant colleges polled testified that this plan would be effective for agriculture, and most of them stated that the only question involved is the question of public policy—as to whether or not this country is going to launch out on the policy of paying money direct from the Treasury of the United States in the solution of this particular problem. I am, therefore, not the least bit disturbed over the suggestion made that the debenture is economically unsound.

I interviewed the various officials of the countries of Europe I visited. I had a long interview with the Premier of Sweden. Sweden has the export debenture and among other things the Premier said, "We are having the same problem in Sweden you are having in America. The manufacturers of Sweden are getting greater protection benefits than are the farmers and that seems to be true all over the world." Sweden has invoked the debenture plan in an effort to solve that problem. The plan was adopted in Sweden in 1926, and in 1928 the Government extended the time for five years more as the result of the effectiveness of it. [Applause.]

The most interesting feature of the debenture plan, as applied to wheat and rye, is that it became a great stimulus to the development of cooperation. Before the plan was invoked the farmers of Sweden were at the mercy of the Flour Trust. Following its adoption the farmers organized cooperative export corporations and, through them, regained control of their markets. Following the adoption of the plan, the farmers of Sweden received an increased price for their wheat during the same period that prices had fallen practically everywhere else. The fact that it was continued for a period of five years after the 2-year period is sufficient evidence of the effectiveness of the plan.

I firmly believe that if the Farm Board of this country had the power to invoke the debenture it would have the same stimulus to cooperative effort in America that it had in Sweden, and that, through the use of it, the farmers would retain control over the prices of their commodities from the producer to the consumer.

In Sweden the holder of an export certificate, upon its surrender to the customs, has the right within six months after its date to either import, free of duty, ground or unground wheat in a quantity sufficient to equal the value of the certificate, according to the rates of duty under the Swedish customs law; or to receive payment in cash for its face value minus 2 per cent upon presentation to the customs authorities, provided that a sufficient amount in import duties to cover such payments has been collected on importations of wheat, ground or unground, during the 6-month period during which the certificate is valid.

Czechoslovakia adopted the export-certificate plan in 1926, the same year that it was adopted in Sweden, and, likewise, has continued it as a part of its farm policy. And in Czechoslovakia the plan has been broadened to include swine and swine products. In the 11 countries I visited Czechoslovakia and Sweden appeared to be the most prosperous. In Czechoslovakia they told me that they had no farm problem and that agriculture was on a parity with industry, which was due, I concluded, to the fact that the farmers were in control of the Government.

The gentleman from New Jersey [Mr. FORT] cited the economic condition of Australia as an example of possible evils resulting from the debenture. On the other hand, Australia is one of the countries where the export bounty plan is exception-

ally effective. Doctor Black, in his testimony before the Senate Committee on Agriculture, submitted the following information on the Australian plan:

The Australian butter-stabilization plan: This is also known as the Paterson plan, after the name of its author, Mr. T. Paterson. It went into operation on January 1, 1926. It operates like the Noyes plan, except that the tax is paid to the exporters by the stabilization committee, which has charge of the administration of the scheme. This procedure is possible because fully 90 per cent of the butter in Australia is manufactured by cooperatives, and all of the cooperatives have combined to put the plan in operation. Creamers refusing to join the scheme are threatened with boycott by the farmers. The plan is essentially a cooperative monopoly, but it has been authorized by the Government, and in order to make it work successfully the Government has had to raise the duty on butter to 12 cents per pound, in order to keep out imports from New Zealand. Only about one-fifth of the butter production of Australia is exported. The bounty paid at first was 6 cents per pound. On January 1, 1929, it was raised to 9 cents per pound. The tax collected during the first year was 3 cents per pound, but 1 cent of this was afterwards returned. It has raised the price of butter in Australia by the full amount of the export duty.

Anyone familiar with the situation in Australia knows that that country is struggling with other grave economic problems besides the problem of making the tariff effective on its surplus crops.

Austria, another country that I visited, is a nation now suffering from many serious economic problems, among which is also the agricultural problem. I discussed her problems at length with officials of that nation. An export-bounty plan was adopted during the month in which I visited that country. In that country, cattle-import bonds are good only for reimportation of cattle by the Vienna Cattle and Marketing Finance Corporation, and by the head organization of eight designated agricultural cooperative associations. I understand that this provision was made in an effort to improve the type of livestock in that country by importing superior breeds of animals. All other Austrian import certificates have interchanging privileges. In addition to live cattle, the system applies also to wheat, rye, and oats.

The agricultural situation in Germany closely parallels that of the United States. Germany grew to be a strong nation through Bismarck's policy of governmental aid to agriculture. Following the war, however, the new German Government laid greater stress on developing industry than it did on agriculture. As a result of that she faced an agricultural problem similar to ours in many respects. The import certificate system of agricultural export bounties was adopted in 1925, effective on grain and legumes. The system was extended to include buckwheat in 1927 and hogs and hog products in 1928. In connection with this system increased tariff duties and bounties were made effective in July, 1929. The export-bounty system appears to be a very definite part of the protective-tariff policy of Germany.

Holland and Denmark are both low-tariff countries. The farmers of those countries took considerable pride in stating that they were able to maintain parity between agriculture and industry in their respective countries by preventing excessive tariff rates on the manufactured products that they had to purchase. These two countries were relatively prosperous. In fact, in those countries that I visited I noticed that where agriculture was prosperous the country was prosperous generally.

To pass a tariff bill that places many additional burdens upon the surplus-crop producers without giving them any benefits of tariff protection, I feel, would be a grave injustice. It would not be keeping faith with that splendid group of agricultural leaders who crystallized sentiment throughout the Nation in favor of economic equality between agriculture and industry. I feel that making the debenture provision optional with the Farm Board is a splendid feature in this measure. No one will contend that the Farm Board's instructions under the agricultural marketing act would cause them to immediately apply the debenture to all surplus crops. The Farm Board is going through a period of experimentation, and I sincerely believe that it would redound to the best interests of the Nation for the Farm Board to invoke the debenture on one or several surplus crops. Congress in the future could then legislate much more intelligently on this surplus problem. The problem will never be settled as long as we refuse to accept any of the possible remedies.

Mr. HILL of Washington. Mr. Speaker, I yield three minutes to the gentleman from Oklahoma [Mr. HASTINGS].

Mr. HASTINGS. Mr. Speaker, a little more than a year ago we were called into extra session because of the very widespread distress of agriculture. Congress has been attempting to enact legislation to solve the question for two or three years.

Two remedies for agriculture were proposed: One was through the creation of a farm board, giving it broad powers, and the second was through the tariff bill.

We must, therefore, not lose sight of the fact that the President recommended the enactment of the farm bill and a "limited tariff revision" in aid of agriculture, and we should keep this picture before us in the consideration of this conference report.

With reference to the several separate votes to be had upon the tariff bill, permit me to say that I have voted for the lowest duty on sugar that the conference report would permit. The duty is now 1.76 cents per pound. The House raised it to 3 cents per pound, and the Senate lowered it to 2 cents per pound. If an opportunity were offered, I would have voted to lower the duty even below that rate, because the Tariff Commission in 1924 recommended that this duty be reduced to 1.23 cents. President Coolidge withheld action upon the report until after the 1924 election, and finally refused to promulgate it. Failure to follow the Tariff Commission's recommendation to reduce the sugar duty to 1.23 cents per pound has cost the country approximately \$75,000,000 annually, according to the commission's own statistics. Less than 2 per cent of the farmers raise sugar beets.

I have voted for the lowest duty on cement and to bring it in duty free for public use, as I believe that cement is controlled by a trust. In fact, that is conceded. No one denies it. Cement is extensively used in building and highway construction, and it is in general use in paving and the building of sidewalks in cities and towns and in practically every home throughout the country.

I voted against any duty on lumber. Lumber is now so high that practically all building construction throughout the Middle West has been terminated, and I do not feel that I am justified in adding an additional burden to the consuming public.

I would have voted for a lower duty on wool if the opportunity had been afforded. The higher the duty the more the cost of clothing is to the consuming public.

I voted against the duty on silver, as I do not believe any duty on it is justified.

Now, with reference to the debenture: The only way to make the duty applicable to those agricultural products of which we annually raise an exportable surplus, such as wheat, corn, and cotton, is through the debenture. Last year, 1929, we raised 806,508,000 bushels of wheat and imported, upon which duty was paid, 37,321 bushels, or less than one two-hundredths of 1 per cent of the amount of wheat we produce. We regularly export about one-fourth of the wheat we produce, and hence we are trying to find a foreign market, and an import duty will be of no benefit whatever to the wheat producers. The records show that, notwithstanding Canada has no tariff on wheat, the price of wheat every day during the past two years has been higher in Canada than in the United States.

The duty of 42 cents per bushel on wheat is therefore ineffective to raise the price of wheat, and the debenture would enable the wheat producers to realize 50 per cent of the tariff duty.

There is no duty on cotton, except that there is retained in this bill the Senate amendment on long-staple cotton, not a lock of which is grown in my State of Oklahoma, and a duty, therefore, on cotton would not benefit the cotton growers of the ordinary staple such as is grown in Oklahoma.

The same is true of corn. I do not have the figures before me for 1929, but in 1928 we produced 2,839,959,000 bushels of corn and imported approximately one-fiftieth of 1 per cent of the corn we produced. A tariff of 25 cents per bushel will not aid the corn producer. The only way to make a tariff effective on these products is through the debenture. You may argue around it and about it all you will, but the only sure way to make the tariff effective as to these products is through the debenture. Let us quit trying to deceive the farmer into the belief that a tariff on wheat or corn will assist him in securing a better price.

For this reason I favor the debenture as long as we have high tariff rates on the manufactured articles which the farmers, laborers, and consuming public throughout the country must purchase.

The great trouble is that too many representatives who plead they are friends of the farmer are partisans first, and find every kind of technical excuse to support the program of the big interests instead of keeping their pledges. They use every sort of ingenious argument to find a way not to help the farmer. They vote for special rules to send the tariff bill to conference, and then try to satisfy the farmers by telling them that under the rules they are not permitted to vote for amendments in their interest. No man, I do not care how ingenious he is, can satisfy the farmers of the country that 42 cents per bushel tariff duty

on wheat or 25 cents per bushel tariff duty on corn is effective when we regularly raise an exportable surplus and when we export to Canada ten times as much wheat as we import, and when the price of wheat in Canada is always higher than in the United States, though there are no tariff duties on wheat exported from this country into Canada.

This debenture amendment is optional, and is an additional authority given to the Farm Board to be exercised only in the discretion of the board.

The provision is as follows:

(a) Whenever the board provided for in the agricultural marketing act approved June 15, 1929, finds it advisable, in order to carry out the policy declared in section 1 of said agricultural marketing act, with respect to any agricultural commodity, to issue export debentures with respect to such commodity, said board shall give notice of such finding to the Secretary of the Treasury. Upon the receipt of such notice it shall be the duty of the Secretary of the Treasury, commencing and terminating at such time as the board shall prescribe, to issue export debentures to any farmer, cooperative association, stabilization corporation, or other person with respect to such quantity of the commodity or any manufactured food product thereof or any product manufactured from cotton or tobacco, if the cotton or tobacco out of which it is manufactured if exported in the raw material would have been entitled to receive a debenture therefor, as such person may from time to time export from the United States to any foreign country. The export debenture shall be in an amount to be computed under the direction of the Secretary of the Treasury, in accordance with such regulations as he may prescribe, at the debenture rate for the commodity or product that is in effect at the time of exportation. Any such computation shall be final.

As to those agricultural products where there is a tariff the debenture certificate is to be 50 per cent of the tariff, but as to cotton it is provided that the certificate is to be 2 cents per pound, or \$10 per bale.

I can not see how any representative of the farming section can justify his vote not to permit the Farm Board to have the optional right to use the debenture provision for the benefit of the farmers when deemed necessary.

Now, with reference to the so-called flexible clause of the tariff bill, I am opposed to it. The records show that during the last administration this provision has been used for political purposes. The day the McNary-Haugen farm bill was vetoed by President Coolidge he increased the duty on pig iron 50 per cent. Members of the Tariff Commission are appointed in sympathy with the views of the administration. When the term of former Congressman Lewis was about to expire as a member of the Tariff Commission, in 1924, his colleague, Mr. Culbertson, conveyed to him the information that the President would reappoint him, conditioned that he give him a letter of resignation in advance, which Mr. Lewis very properly declined to do. President Coolidge then called Mr. Lewis before him when he was to deliver him his new commission, and asked for the letter, which Mr. Lewis declined to give. In order to satisfy the low-tariff people throughout the country until after the 1924 election, he reappointed Mr. Lewis and then refused to send his name to the Senate for confirmation, and he therefore ceased to be a member of the commission on March 3, 1925. Mr. Culbertson was a low-tariff Republican, and in order to get rid of him he was given a diplomatic post, and in the place of Culbertson, Lewis, and others, high-tariff Republicans and Democrats were appointed.

The result is that tariff rates are seldom lowered but are always increased. The record shows that the rates have been lowered upon phenol, long-handled paintbrushes, bobwhite quail, and mill-feed bran. The appropriation for the Tariff Commission is \$785,000 per annum, to prepare data so as to make it possible for the President to issue proclamations to increase the prices of the necessities which must be purchased by the consuming public.

When the Tariff Commission was first provided for it was hoped that the tariff would be taken out of politics, but instead of that it has been used as a political football. The record of the efforts to control the Tariff Commission, particularly as to its report on sugar in 1924, is the most nauseating chapter in our political history.

For my part, I feel that the President should not have the authority to raise or lower tariff rates, and shall so cast my vote.

If this bill is approved, containing the highest rates ever placed in a tariff bill, and if the flexible clause is retained, the President, through appointment of the members of the Tariff Commission, will be enabled to raise the high rates in the present bill an additional amount of 50 per cent and pass the burden on to the consuming public.



In my judgment, Congress should control the methods of raising revenue, including the tariff duties, as well as all expenditures through appropriations from the Public Treasury. It is just as defensible to open the doors of the Treasury and permit the President of the United States to expend any sum of money he may choose as it is to permit him, without the sanction or approval of Congress, by proclamation to fix the tariff duties on any commodity.

The people of the country are already overburdened. Congress was called in special session to lighten the burden of the farmer. It was to be done in two ways: First, by the so-called farm relief bill. Congress created a board, authorized an appropriation of \$500,000,000 as a revolving fund, and then only actually appropriated \$150,000,000, later making available \$100,000,000 more, and gave the board power to recognize or create stabilization corporations, and gave it other broad powers, all of which have not been exercised, and the result so far has been a disappointment to the farmers of the country. We are still suspending judgment to give its administration a fair trial.

The second method to relieve the farmer was to be by means of the tariff, but the duty on practically everything the farmer buys has been raised, and little or no compensating benefits given to him. He is made to pay more for his sugar, cement, building material, farm machinery, and for every article which he wears and uses without any compensating benefits.

This bill is properly known as the Grundy bill, because he and those whom he represents and typifies constructed it. Surely, you can not convince the farmer that by raising the duties and making him pay more for everything he buys that this can be of any benefit to him. It is a novel argument to urge that the road to prosperity for the farmer is to increase his tax burdens or make him pay more for the necessities he must purchase.

On the other hand, it is urged that the high tariff rates do not raise the prices of any manufactured product to the consumer. If not, why do the representatives of the special interests infest the Capitol pleading for higher duties? Repeat for emphasis this confusing question to every advocate of a high tariff rate.

I have frequently taken occasion to say that if the people of my district and State really studied and understood the provisions of this bill, that in my judgment not 1 per cent of them would be in favor of it.

It is estimated that the present tariff bill will enable the manufacturing interests to add an additional billion dollars' burden to the consuming public.

Recently 1,000 economists, heads of our leading universities and educational institutions, representing every section of our common country, East and West, North and South, have prepared and submitted a protest against the enactment of this tariff bill. The leading metropolitan newspapers and magazines of the country have criticized it. Thousands of men who do business on a large scale, among them Henry Ford, appreciating that other governments are preparing to retaliate against our products, openly condemn the bill as unwise.

There is no farm relief whatever in this tariff bill to the people in Oklahoma whom I represent. You can not relieve the depressed, overburdened farmers by placing additional burdens of taxation upon them. You can assist them in only two ways: First, by enabling them to realize more for the products which they raise, and, second, by lowering the price of the products which they consume and must purchase. These two bills, the farm bill and the present tariff bill, do not do either. I have already indicated how I shall vote on each of the questions brought back to the House for consideration, and will finally vote against the bill.

The farmers know they must depend upon a foreign market for those products such as wheat, corn, and cotton, of which they regularly raise an exportable surplus and that their home market is governed almost entirely by Liverpool prices.

We can not raise tariff duties on manufactured articles so high as to practically amount to an embargo against the importation of manufactured products from Europe and still hope to sell to Europe our agricultural products.

If the manufactured products of Europe, because of our high-tariff duties, are diverted to other countries, they in turn will buy agricultural products of those countries that come in competition with ours and we will measurably lose that much of the foreign markets for our agricultural products to the detriment of the farmers. In order to sell our farm products to European markets we must exchange them for their products and the high tariff rates, therefore, divert our foreign trade, lessens the demands for our surplus agricultural products, and result in a depression of farm products in our domestic markets. [Applause.]

Mr. HAWLEY. Mr. Speaker, I yield two minutes to the gentleman from Wisconsin [Mr. SCHAFER].

Mr. SCHAFER of Wisconsin. Mr. Speaker, I shall vote against the debenture. If some of our good Democratic friends who are now sobbing for the poor farmers, when advocating the debenture, had thought about the sugar-beet and sugar-cane farmers and the other farmers whose problems are closely related and had voted for the increase in the tariff on sugar yesterday they would have done something constructive in the farmers' interest.

The only requests which I have received, asking me to support this debenture, are from the National Grange and from grain speculators who, I know, will profit more than the farmers if we adopt the debenture plan of our Democratic colleagues who are claiming that its adoption will prevent those engaged in agriculture from going to the poorhouse. The National Grange, if you please, which is strongly advocating the debenture and raising the argument that agriculture is on the way to the poorhouse, talks quite differently when it advances argument in favor of prohibition. The April issue of the National Grange publication contains this statement:

Ten years' experience with a saloonless nation has convinced the American farmer that economically, socially, financially, and morally our country is much improved under the operation of prohibition legislation.

The article from which I have just quoted describes at length the great prosperity of the country and the farmers as the result of prohibition.

Mr. SABATH. Well, does the gentleman believe it?

Mr. SCHAFER of Wisconsin. I absolutely do not believe it. I believe that the Grange is just as wrong on the debenture as it is on prohibition.

Mr. SABATH. That is what I wanted to know.

Mr. SCHAFER of Wisconsin. And if the gentlemen who want to follow the Grange in the interest of the farmer on the debenture really want to help the farmer, step up to the clerk's desk and sign the LaGuardia petition to discharge the Judiciary Committee from consideration of the bill to modify the prohibition laws. [Applause.]

Mr. HILL of Washington. Mr. Speaker, I yield one minute to the gentleman from Alabama [Mr. ALLGOOD].

Mr. ALLGOOD. Mr. Speaker, ladies and gentlemen of the House, the extra session of Congress was called for the purpose of farm relief and for a modified revision of the tariff, so as to place agriculture upon an equal basis with industry. This was more than a year ago. Instead of Congress confining its work to farm relief and a modified revision of the tariff, it has run wild without any positive leadership whatsoever from the President. He has only indicated that he opposed the debenture clause, which was for the benefit of the farmer and favored the flexible clause, which was for the benefit of the manufacturing interests. Thus without guidance or direction Congress has fussed over this tariff measure for all these months.

A new tariff law changes the values of hundreds of commodities. In the change from an old to a new tariff measure the business interests of the country are unsettled, and as a result there is a slowing down of business throughout the country. During the past 12 months while this tariff measure has been under consideration there has been the greatest break in the prices of stocks on the New York Stock Exchange ever known in the history of this country. Billions of dollars of values faded away. This loss was reflected in business throughout the Nation and also has affected financial conditions in foreign countries. The price of farm products has decreased. Thousands of men in the industrial centers are out of employment. Hundreds of banks have closed their doors. It has been almost impossible for the small business man and farmer to secure money from any source. If the leaders had confined their activities to farm relief and a modified revision of the tariff, so as to equalize agriculture with industry, we could have passed this measure in three months' time and could have adjourned by August 1 of last year, and in that event I doubt if the country would have experienced the dreadful panic through which we are passing. The leading Republican Senator who was responsible for President Hoover calling the extra session of Congress for farm relief introduced a resolution early in the session confining the schedules of the tariff to be acted upon to farm relief. If President Hoover had favored this resolution, it would have carried, because it only failed to carry by one vote. If this resolution had carried, the business interests of this country would not have been disturbed by the revision of the tariff, and I doubt if we would now be experiencing the panic, that is nation-wide. To-day in attempting to complete this tariff legislation the question that stands uppermost in my mind is this: Will this tariff measure equalize agriculture and industry?

A study of the measure shows that where one agricultural schedule has been given protection under this measure that three industrial schedules have been given protection. Therefore, while you are placing a dollar in one of the farmer's pockets under this bill, you are taking \$3 out of his other pocket. Apply this rule to the 30,000,000 of farm people who are now sorely burdened with the high cost of living and I ask you in all fairness how can you expect them to continue to produce the raw products which are needed to feed and clothe the peoples of the world? This tariff bill was not written for the farmer nor by the friends of the farmer. We are dissatisfied with the measure and are trying to get this Congress to accept at least one section that will aid agriculture. This section contains the export debenture clause. This clause simply turns the tariff around and gives the cotton farmer an export tax or tariff of \$10 a bale on every bale of cotton shipped out of this country. This money is to be paid by the Government out of moneys the Government collects upon tariffs for foreign goods shipped into this country. Ten dollars a bale increase in price would amount to \$60,000,000 each year, because we ship abroad 6,000,000 bales of cotton annually. With the price of cotton increased \$10 a bale the farmer, I believe, would receive at least \$5 more per bale, which would mean \$30,000,000 on the export cotton alone. The other \$30,000,000 received from the increase due to the debenture would doubtless be used by cotton exporters in expanding their sales in foreign markets. Therefore by working under this measure we would encourage the exportation of cotton year by year and increase our sales in foreign countries while at the same time there would be a decrease of surplus cotton for consumption in this country. This condition would have the effect of increasing the price paid for cotton consumed here, which would tend to raise the price paid for the entire cotton crop.

This provision of the tariff bill is most vital to the cotton farmer. It is the only real hope that you have left him. Without the debenture provision this Congress will burden instead of relieve the farmer. The other provisions of this bill will force him to pay a greater price for the shoes on his feet; for the shirt, whether woolen or cotton, that goes on his back; for the suit on his body and hat on his head. He will be forced to pay more than he has been paying for furniture, agricultural implements, hardware, harness, and sugar, which are actual necessities of life.

Tariff means taxes and those who consume manufactured articles are the ones who pay the taxes. Therefore, the cost of living will not be confined to any one class, but will be heaped upon people in all walks of life in cities, towns, hamlets, countryside, and farms. On the farms to-day, under the present tariff law, men, women, and children are all forced to work to make a living. In the cities and industrial centers in times of depression, such as we are having now, there are thousands of people who can not get employment. This tariff measure will add to their burdens. President McKinley, an outstanding Republican President, in a memorial address which was delivered at the Pan American Exposition at Buffalo on the day preceding his assassination, said:

We cannot repose in fancied security that we can forever sell everything and buy little or nothing. If such things were possible, it would not be best for us or for those with whom we deal. If, by chance, some of our tariffs are no longer needed for revenue or to encourage and protect our industry at home, why should they not be employed to extend and promote our markets abroad?

President McKinley's idea is the export-debenture plan exactly, and if he were President to-day, I dare say the farmers of this Nation would be benefited by its inclusion in this tariff bill. Before Mr. Hoover was elected President, in speaking of the Republican platform in his acceptance address as it pertained to agriculture he said:

Objections have been made that this principle, as laid down by the party platform, may require several hundred millions of dollars to be advanced by the Federal Government without obligation upon the individual farmer.

He further said:

A nation which is spending \$90,000,000,000 a year can well afford to spend a few hundred millions for a workable program that will give one-third of its population a favorable share of the nation's prosperity.

He further said the working out of agricultural relief constituted the most important obligation of the incoming administration.

Mr. Hoover was elected and is now at the helm of state, but is opposing a farm-relief measure that has been successfully tried out in Sweden, Germany, and other foreign countries. He holds that it will cost the Treasury some two hundred million dollars annually, but he fails to consider that at the same time it will benefit the farmers of this Nation several hundred million

dollars annually. The President seems to know how to take care of big business all right. At the beginning of this session he advocated the passage of a bill, and signed it when it passed, which reduced the income taxes of the well to do of this Nation \$160,000,000.

I believe that if the farmers of this Nation knew what the debenture would mean to them that nine out of ten of them would favor its passage. For the farmer to exist he must have an equity in trade values. His dollar must be worth as much as is the manufacturer's dollar. The manufacturer has always had the advantage and will have the advantage even with the debenture in this bill. The high protectionists in this House want to force the farmer to sell in the open markets of the world and at the same time require him to buy the manufactured products in a highly protected market. The ex-service men who went overseas will tell you that they could buy American-made articles cheaper in Europe than in America. This is the reason. Our tariff laws in many instances practically place an embargo against foreign manufactured goods, and the foreign manufacturer has to sell his product in his home market because the American manufacturer has the American market protected. When the American manufacturer produces more than he can sell at home he ships his surplus abroad and takes whatever he can get for it. By law the American manufacturer forces American people to pay more for manufactured goods than he receives for similar goods he sells in foreign lands with additional freight and carrying charges added. Henry Ford claims to be a Republican, but he is not a high-tariff Republican. He holds that competition is the life of business, and, although he pays his labor good wages, yet he produces cars that he can sell in competition with the manufacturers in the entire world.

My good friend, the gentleman from New York, Doctor CROWTHER, stated in a discussion with me on the floor of the House a few days ago that he was in favor of building the tariff wall so high that no foreign product could come into our country in competition with our manufacturers. This policy, if enacted, will force other nations to pass tariff laws which will prevent the shipment of American goods into their country. In fact, this condition is arising to-day. The leaders in 23 countries met a few weeks ago for the purpose of raising the trade barriers to prevent the importation of American-made goods. This will bring about a serious condition in this country. We now are suffering from an overproduction of cotton, wheat, and corn on the farms. Many people are out of employment in the factories because the manufacturers have no market for their products. If the foreign nations of the world retaliate by forbidding the shipment of our products to their ports, we will witness a panic which will make this panic seem like the golden era. Ten years ago the South had a monopoly on the world production of cotton. During this period we have not increased our production, but the other countries of the world are now producing 12,000,000 bales of cotton, as against 6,000,000 bales 10 years ago. At this rate of increase foreign countries will soon be able to produce all the cotton they can consume. Therefore, instead of trying to pass laws that will break down our trade with foreign countries, we should attempt to pass laws that will help us increase our foreign trade. We are producing 6,000,000 bales of cotton more each year than can be sold in this country, and if it all had to be consumed in the United States cotton would not bring more than \$25 a bale. This is a dark and gloomy picture that confronts the cotton farmer of the South, and I claim that under the conditions that are confronting him he is entitled to the advantage that this debenture clause will give him.

Let us contrast the conditions of the farmers with that of some of the big business interests of this country. The National City Bank of New York made a statement that the earnings of 375 manufacturing corporations during the first quarter of 1929 were 37 per cent above the corresponding period of 1928. The Bethlehem Steel Co. showed 160 per cent earnings in 1929. The Youngstown Sheet & Tube Co. 145 per cent in earnings. The Republic Iron & Steel Co., 208 per cent increased earnings. Who is paying these enormous increases in earnings? It is the consumer in the United States, because the export products of these concerns are sold to foreigners in foreign countries at a cheaper price than they are sold to our own people.

Mr. Speaker, ladies, and gentlemen of the House, do the following concerns need more protection? For every thousand dollars invested in 1922 in the capital stock of the Case Threshing Machine Co. the value of the stock to-day is \$9,970, or a profit of 150 per cent. For every thousand dollars invested in the Deer Implement Co. in 1927 the value of the stock is now \$8,770, or a profit of 333 per cent in two and one-half years. Thus, you can see that the manufacturers need no further protection. The fact of the business is, they have already been



overprotected with the results that this country has become over-industrialized. New manufacturers have sprung up in great numbers and are producing articles faster than they can be consumed. The factories are working on short time and in some instances are shutting down. These manufacturers do not need further protection. They should give employment to the idle men and increase their output, and, like Henry Ford, they should cheapen their products so that they can compete with manufacturers the world around.

Any sensible person knows that if you reduce the price of a necessity that this encourages the people to buy it, thereby increasing the sale and demand for that product.

A leading Republican Senator, in speaking against the passage of this tariff bill, said it is no help to farmers to give them something and then conspire with some one else to take it away from them. This Senator was speaking in behalf of the export-debenture plan.

Equality is one of the bedrock principles of free government. Our laws should be so equalized that every citizen would receive equal rights. The passage of this measure without the debenture clause will give several billions of dollars additional protection to the manufacturers, a protection they do not need.

\* \* \* At the same time it will add increased burdens to a class that is struggling at great odds for an existence to-day. This bill will cost the American consumer many millions of dollars in the increased cost of living, and with the President and his leaders in this House opposed to the debenture clause and with agriculture being unjustly discriminated against, I will refuse to vote for this tariff bill. I do not believe that I am any more biased or prejudiced in behalf of the farmers than the high protectionists in this House are biased and prejudiced in behalf of the manufacturer. The leaders are determined to pass this bill just like they want it to be. This tariff bill will add increased costs of living and extra burdens of government, and I expect to see a reaction and resentment of our people against those who force these unjust burdens upon them. [Applause.]

Mr. HAWLEY. Mr. Speaker, I yield four minutes to the gentleman from Kansas [Mr. Strong].

Mr. STRONG of Kansas. Mr. Speaker, as the Representative of a great agricultural district of one of the best agricultural States of the Nation, I have always voted for all legislation that I believe would help to give agriculture a fair price for its products, just as I have always voted for all just legislation for the men who served our country in time of war; but since we have been assured that the President will veto the tariff bill if the Senate amendment for the debenture remains in the bill I feel that it is insincere to vote for the debenture amendment knowing that if it is adopted it will defeat both the debenture and the tariff bill.

I agree with the statement recently made by the American Farm Bureau Federation:

Farm rates in tariff bill highest ever enacted.

I will not cast a vote to defeat those high rates which we have been successful in writing into the tariff bill, and will therefore vote against the debenture amendment, so that the bill may be enacted into law and the farmers have the advantage of such favorable tariff rates. [Applause.]

Mr. HILL of Washington. Mr. Speaker, I yield five minutes to the gentleman from Mississippi [Mr. Rankin].

Mr. RANKIN. Mr. Speaker, I was amused at the speech of the distinguished gentleman from New Jersey [Mr. Forr] in opposition to the debenture. I must say, in all frankness, that it was about the most illogical, the most unsound, and the most unreasonable speech I have heard in the House since his recent notorious, and more or less ridiculous, utterance on the manufacture of home brew, with which no man, in or out of Congress, wet or dry, seemed to agree, and which was repudiated at the White House before the sun went down. [Laughter.]

In the first place he misquoted the provisions of the bill. He told you—trying to scare you southern Members—that the debenture could not apply to short-staple cotton. Look on page 329 of the bill and you will find a provision that "so long as no import duty is imposed on cotton, the debenture rate thereon shall be 2 cents per pound."

Not only that, but he went so far as to say that it would provoke retaliatory duties in foreign countries, overlooking the fact that the protective tariff on industrial articles may also provoke retaliatory duties.

Mr. Speaker, this is a sad day for agriculture in America. A year ago Congress was called together for the purpose of bringing about farm relief. It has utterly failed. The party in power is not only attempting to side-step the question of farm relief but is attempting to kill it entirely by voting down the only proposition that has been brought to light that will give agriculture any of the relief promised, and that is

this export debenture. Be not deceived. Every man who votes against the debenture registers his vote against farm relief.

Instead of relieving agriculture, and as you preached for years, raising it up to a level with industry, you are piling more loads on the farmer's back and denying him relief.

Take the corn growers to-day. Corn is selling far below the cost of production. The cotton growers are selling their cotton below the cost of production. The dairymen to-day have millions of pounds of products which can not be sold, and without the benefit of the export debenture they can never hope to get a reasonable price for them. Wheat to-day, with your tariff, which you boast of, of 42 cents a bushel, is selling for a higher price in Winnipeg, Canada, than in any market in the United States. To-day wheat is selling in Kansas, Iowa, Nebraska, Missouri at the same price it sold at 30 years ago, far below the cost of production, and yet you come in here and vote against the debenture, and deny the farmer any relief at all from his distressed condition which your high tariff has produced.

Where is Mr. DICKINSON? Will somebody page Mr. DICKINSON, of Iowa, and also Mr. HAUGEN, and the rest of those men from the agricultural States of the West who were avowedly very much in favor of the McNary-Haugen bill? Yet when the Senate inserts an amendment by which we can raise the price of agricultural products, corn and wheat and cotton and dairy products, and thus remove a part of the disparity now existing between agriculture and industry, you men from those States vote against it.

Now, Mr. Speaker, I want to say to the Members from the South and the West that I am for the debenture no matter what class of farmers it aids—whether it be the cotton farmers of the South, the wheat and corn farmers of the West, or the dairymen of the whole country. Their interests are interlocked and interwoven. The debenture would relieve them all.

Mr. SCHAFER of Wisconsin. Will the gentleman yield?

Mr. RANKIN. No; I can not yield. The gentleman from Wisconsin ought to be satisfied, because he saved the "cement farmers" on yesterday. [Laughter.]

Now, Mr. Speaker, this debenture, if carried into effect, would probably raise the price of wheat \$160,000,000 annually, corn \$360,000,000, cotton possibly \$150,000,000, to say nothing of the millions it would raise the price of dairy products.

Let us see what are the conditions of agriculture now. A year ago we met here, called together to aid agriculture. To-day you are selling wheat in Kansas City and every other wheat market for 10 cents a bushel less than you did a year ago. You are selling wheat for practically the same price that it sold for 30 years ago.

On yesterday some of you Members who have been clamoring for farm relief, and who are going to vote against the debenture, voted to impose upon the farmers of this country a tax of from \$800 a mile to \$1,500 a mile for concrete roads built by taxation on their lands through the tariff on cement.

Let us read the RECORD.

Here is our distinguished chairman of the Committee on Agriculture [Mr. HAUGEN]. I see he voted with the cement people yesterday. I wonder if he will come out and represent agriculture in the State of Iowa to-day by voting for the debenture?

Why, the pathetic gentleman from the West [Mr. HAWLEY], who was doubled-crossed on yesterday by the crowd he had been training with, voted for the tariff on cement. I wonder if he will come across and help us on the debenture, and give some relief to the farmers who are to be taxed at the rate of from \$800 to \$1,500 a mile on the roads to be built in their communities as a result of the tariff on cement for which he voted.

I want to remind you men from the dairy sections that there is a surplus of 60,000,000 pounds of butter on hand in this country now, and this debenture will help us to get rid of it at increased prices to the dairy farmers.

Will you not be as liberal with them as you were with the Cement Trust on yesterday?

You need this debenture to help bring your dairy farmers to a level with industry. Not only that, but I may put the entire list in my remarks, so that the distinguished gentleman from Indiana [Mr. PURNELL], and the gentleman from North Carolina [Mr. PRITCHARD], and the gentleman from Missouri [Mr. HOPKINS], and the others who voted for the tariff on cement, but, above all, the farm-relief gentleman from New Jersey, the expert on home brew [Mr. FORR], so they may see their names in the parallel columns when this vote for the benefit of the Cement Trust comes out along with the vote on farm relief under this debenture plan. [Applause.]

Mr. HAWLEY. Mr. Speaker, I yield two minutes to the gentleman from Michigan [Mr. KETCHAM].

Mr. KETCHAM. Mr. Speaker, I think my position on this matter has been very consistent, and in a word it is this, if any

of you are interested: If I were assured that the President of the United States would veto this bill with the debenture provision in it, I would not vote to recede and concur.

I believe that so far as agriculture is concerned that the rates carried in this bill are by all odds the most favorable that have ever been provided in the history of tariff legislation. The rates are particularly favorable to the cash crops upon which our Michigan farmers depend most largely. Consequently it will be readily understood that I am deeply interested in the final passage and approval of this bill, but I have not been convinced by anything that has been said this afternoon that the bill will be vetoed by the President if it contains the debenture provisions. It is doubtless true that any tariff bill that might go to the desk of the Chief Executive would not meet his views in every particular, but I can not bring myself to believe that the President's opposition to the debenture plan is so violent that he would fail to give his approval to the measure were it included. For that reason I shall cast my vote for it. [Applause.]

Ever since I have been in Congress I have supported legislation which I thought would be of advantage or help to agriculture, and I conscientiously believe that the debenture plan is a proper complement of the protective tariff system, making it possible to bring farm commodities having an exportable surplus within the benefits justly provided by Congress for other industries and I can see no other way of accomplishing the desired results in these particular crops.

Before I conclude I desire to meet the argument that is presented with great earnestness by opponents of the debenture that it would be of no effect because retaliatory measures would be taken by countries into which the debenturable crops would naturally flow. I hold in my hands a volume containing the debates in the English Parliament of October 29 last year, when this very issue was being discussed, having particular relation to the so-called dumping of German wheat. I will not have time to read from the debates but will simply include the motion which was offered by Sir Edward Iliffe, as follows:

That immediate steps should be taken by the Government to counteract the injurious effect upon British agriculture of the dumping of German wheat and other cereals upon the markets of this country.

After a debate running through several hours and participated in by representatives of all parties, the motion of Mr. Iliffe was defeated by a vote of 266 to 157.

Mr. Blindell summarized the controlling argument very ably in these words:

I have no room for taxation on food and I really believe, as I think honorable gentlemen opposing believe, that any solution along the line of a tax upon wheat or cereals of any description would be a very dangerous step to take, and this house is not very likely to take.

It seems to me quite clear that no government actually in the market for debenturable products from the United States would be apt to adopt retaliatory measures if there was a real demand for these products, and no ministry would last very long that would urge such measures. Neither the Conservative Party nor the Labor Party of England have looked with favor upon such a proposition.

The limit of time will not permit an extended argument on this whole problem but will simply permit me to state my convictions. I do not know the nature of the correspondence received by many of the Members of Congress living in agricultural sections with reference to present conditions, but one recent report has given me a great deal of concern. I am advised that the percentage of unpaid taxes returned this year upon farms in various sections of Michigan is greater than in any other recent year. This alarming situation strengthens my determination to do everything possible in the way of securing a larger income for the farmers of the United States.

The argument presented in opposition to the supposed debenture cost of \$280,000,000 this afternoon is abundant proof to me that its opponents are actually concerned that it will produce a greater income for farmers. A great deal has been said about the lack of prosperity in industrial sections. In my opinion, one of the surest and speediest ways of restoring activity in commercial and industrial lines is to put agriculture upon a satisfactory economic basis. When the farmers, who represent 35 per cent of the buying power of the country, are out of the market to the extent they are at the present time, it is inevitable that bread lines will form in the cities. Believing that the debenture plan would be of very material assistance to the farmer, to labor, and to industry, I shall give it my support.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. HILL of Washington. Mr. Speaker, I yield five minutes to the gentleman from Illinois [Mr. HENRY T. RAINEY].

Mr. HENRY T. RAINEY. Mr. Speaker, ladies and gentlemen of the House, I expect to vote for the debenture plan, whether

the President vetoes the bill or not. I expect to vote for the debenture plan, although its operation is made possible only at the initiative of a board which is against it now. I do not expect this board to put this plan into operation this year, but they are going to put it into operation next year.

On the 1st day of May, in the city of Chicago, May wheat sold for \$1.01½, and in Kansas City on that day it sold for 95 cents a bushel. In Duluth on the same day May wheat sold for \$1.01. The Agricultural Department recently estimated that it cost the farmer \$1.50 to raise a bushel of wheat. Therefore wheat is selling at from 50 cents to 55 cents per bushel less than it costs to produce it.

I have become finally convinced, whether anyone else is convinced or not, that the Federal Farm Board up to the present time has registered in its operations the most tremendous and expensive economic failure in the history of this country, and they are not going to do any better than they have done. All they have done is to hold an umbrella over the rest of the wheat-producing sections of the world until they have marketed their wheat, and here in this country and in Canada we have a carry-over. Nobody seems to know how much it is, because nobody knows how much the stabilization corporation holds. On the 1st day of May on the Chicago market alone 12,000,000 bushels of wheat were tendered, and the stabilization corporation took in most of it. It may have taken in nearly all of it, so far as we know. Next year the United States and Canada may start in with a carry-over of 400,000,000 bushels of wheat, and that is about as much wheat as is exported from these two countries to the markets of the world. Ninety-five cents a bushel for wheat in Kansas City, the heart of the wheat belt of Missouri, Kansas, and Nebraska, means how much to the farmer? The farmer, if he endeavors now to sell his wheat, if he has it stored there in an elevator and is paying storage, could not get in that section 85 cents a bushel for the wheat which has cost him \$1.50 to produce. Unless we have in the United States a tremendous wheat-crop failure this year, the wheat farmer of Illinois and all these middle western States is going to get a maximum of 75 cents a bushel for his wheat, and that is all.

Whenever wheat sells for 75 cents a bushel the failure of the Farm Board will be so evident that it will be necessary for them to adopt a measure of relief which will raise the price of wheat, and the debenture plan will do it. It is generally admitted that it will, but the objection to it so far as this debate has proceeded seems to be that the issuing of the debentures will cost the Government \$280,000,000 a year. We have already given the Farm Board \$500,000,000, a large part of which they have evidently already squandered in perfectly ineffective and useless ways. If we export next year 200,000,000 bushels of wheat, and that is the amount of our usual exportation, and if export debentures are issued covering every bushel of exported wheat, the charge on the Treasury would not be over \$40,000,000. But an important element in the whole proposition has so far been overlooked. Much of the distress in this country at the present time can be traced to the loss in buying power to the farmer. At the present time he is buying as little as possible and economizing in every possible way. Restoring prices for agricultural products would mean a restoration of the farmer's buying power and would mean that he would buy more goods, both imported and of domestic manufacture, and if he buys more imported goods he increases the Treasury receipts, and it is not impossible to assume that the debenture system, if applied to all farm commodities, would bring into the Treasury much more money than it takes out. Restoration of the buying power of the farmer means the restoration of the buying power of other classes, and customs receipts depend upon the buying power of the Nation as a whole.

I introduced in Congress the very first debenture bill and tried to substitute it for the first McNary-Haugen bill. I think the plan will work. It ought to be given its chance. We are imposing tremendous burdens on the farmer in this bill. The pledges of both parties to give equality with industry to agriculture ought to be redeemed.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. HAWLEY. Mr. Speaker, I yield three minutes to the gentleman from Illinois [Mr. ADKINS].

Mr. ADKINS. Mr. Speaker, I think it is well recognized in this House that if there was a scheme proposed here which would permit the farmer legitimately to get his hands into Uncle Sam's pockets, I would be for it, because I think he has it coming to him, largely because of the deal Uncle Sam handed to him in 1920, when he was deflated. I do not think there is anyone in this House who has looked into this debenture scheme any more carefully than I. First of all, if we expect to go into the debenture business we must take out of our tariff law our countervailing duty clause and repeal our antidumping law.



We can not expect or hope that other people will permit us to dump our products on their markets with a debenture or a subsidy of any kind when we do not let them dump theirs on our markets. [Applause.] So I have made up my mind that we could not afford to do either. If we took out the countervailing clause, any nation could nullify our tariff law.

Another phase of the question here is about our retaliatory tariff. There is a vast difference between putting on a protective duty to protect our home market and the giving of a bounty to encourage our people to dump their surplus on other countries and break their markets.

I remember when New Zealand was going to ship her butter in here and pay a bounty, and President Coolidge issued a statement to the effect that if that were done we would add to the duty the amount of the bounty and put that additional bounty in our Treasury instead of it going into the pocket of the New Zealand dairy farmer.

I once urged you gentlemen to pass a law that we knew the President was opposed to, on the ground that it was optional whether there should be an equalization fee or not, and he vetoed it; and thus we deferred the great experiment of disposing of our surplus for two years by forcing on the President something he did not want. How is the President going to preserve his self-respect in the face of his public statements and letters if we send him a bill to sign which contradicts all that he has said? [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. HAWLEY. Mr. Speaker, how does the time stand between the two sides?

The SPEAKER pro tempore. The gentleman from Oregon has 10 minutes, and the gentleman from Washington has 6 minutes remaining.

Mr. HAWLEY. We have just one more speech on this side. Will the gentleman from Washington use some of his time?

Mr. HILL of Washington. Mr. Speaker, I yield six minutes to the gentleman from Missouri [Mr. CANNON].

The SPEAKER pro tempore. The gentleman from Missouri is recognized for six minutes.

Mr. CANNON. Mr. Speaker, seldom—if ever—in the history of the American Congress has any legislative enactment failed so signally to achieve the purposes for which it was formulated and to alleviate the evils it was intended to remedy, as the agricultural marketing act has failed.

Passed after 10 years of debate on this floor, in response to one of the most imperative needs ever called to the attention of Congress by presidential message—in alleged compliance with unequivocal platform pledges of both political parties—the farm relief bill proposed five distinct and specific adjustments—first, to prevent and control exportable surpluses of agricultural products; second, to stabilize the market for farm products; third, to give the farmer a price which would insure a reasonable wage above the cost of production; fourth, to place agriculture on a basis of economic equality with labor and industry; and fifth, to extend to the farmer the benefits of the American protective tariff system. The agricultural marketing act was signed by the President and became a law practically a year ago, and judged in the court of last resort—the actual administration of the act—it has proved to be a failure, not on one or two or three of the major purposes for which it was passed but in all of them.

It has not disposed of the agricultural surplus. It has not stabilized the market. It has not given the farmer a fair price for his product. It has not given agriculture equality with industry. And it has not extended to the farmer the benefits of the tariff. In brief, the law for which so much was promised has proven an utter and complete failure in every particular.

All doubt as to whether the farm relief bill provided authority under which the exportable surplus could be controlled was dispelled when the Farm Board as a last resort issued to the farmers of the Nation a plea to reduce acreage. In every battle for agriculture waged on this floor the opponents of farm relief have insisted that the farmer ought to go to work. They have repeated and reiterated that if the farmer would just take off his coat and get out in the field and go to work the farm problem would be solved. And now comes the Farm Board and finds that the real difficulty is that the farmer has worked too much, and that he must slow down and stop work and let his fields lie idle and retire from business in order to make that business prosperous!

I wish there was time in this debate to discuss the proposal to limit production and to demonstrate that—as desirable as reduction may be—the hopeless futility of the proposition to secure voluntary reduction of acreage. But it suffices to show beyond

the peradventure of a doubt the utter failure of the agricultural marketing act to prevent or control agricultural surpluses.

And the law has proven just as ineffective in the stabilization of the price of farm products. Circumscribed by the limited authority granted under the law, the Federal Farm Board has failed ignominiously in every attempt to control the disastrous fluctuations in farm prices which have for time immemorial exposed the helpless farmer to the rapacity of speculators and gamblers on the boards of trade. Millions of bushels of imaginary wheat have been thrown into the market and the price of the farmer's product has rocketed up or down without rhyme or reason and always at the expense of the farmer. Last fall the Farm Board prepared to control this situation. They established a loan basis on wheat of \$1.25 a bushel. Immediately—demonstrating the impotence of the board under the law—the price of wheat began to fall and on December 20 dropped to \$1.15¼ a bushel on the Chicago exchange. The board then attempted to fix the basis for loans at \$1.18, but wheat continued to fall until it sold below a dollar a bushel. The farmers of the country lost millions of dollars in complying with the advice of the Federal Farm Board to hold their grain off the market. One member of the Committee on Agriculture of this House finally sold his wheat at 20 cents per bushel less than he could have got for it had he not relied on the recommendation of the board. Notwithstanding the assurance last May by sponsors in the House that the farm bill would stabilize prices, it has failed whenever invoked, and the price of wheat has fluctuated since the passage of the law from \$1.38 per bushel to less than a dollar per bushel.

And the Federal agricultural marketing act has failed to increase the price of farm products. During the national campaign in 1928 the one plank most stressed in both the Republican and Democratic platforms was the plank promising agricultural rehabilitation. The platforms and the candidates of both parties were emphatic and enthusiastic in their promises of farm relief. Now what was meant by farm relief? It could not have meant lower prices for farm products. Prices were already too low. It would have availed nothing to have promised to maintain current prices for farm products. It was current prices which precipitated the emergency session of Congress. No; by farm relief they meant better prices for farm products. And those who promised the McNary-Haugen bill as well as those who promised the mysterious Hoover bill promised higher prices for farm products. Every farmer who went to the polls believed he was voting for a party which had pledged itself to pass a law which would give him a higher price for his products—a decent American standard of living for his family. Has the agricultural marketing act fulfilled that promise? Let us consult the market reports.

The daily market reports show that every surplus farm product is selling at a lower price to-day than it sold for the day the President signed the farm bill. Practically all farm products fluctuate more or less regularly with wheat. Wheat sold last summer while the Farm Board was organizing at \$1.38 per bushel, and it was quoted on the market yesterday at \$1.01. Not only has the farm bill failed to increase the price of farm products—so low at the time the bill passed that the President called Congress in extra session to relieve the situation—but it has failed even to maintain farm prices at the low level at which they stood when the bill was passed. The cost of producing a bushel of wheat is \$1.50 per bushel. Under the agricultural marketing act they are paying the farmer \$1.01 for the wheat it cost him \$1.50 to produce. And the price of bread to consumers is precisely the same to-day with wheat at \$1.01 that it was a year ago when wheat was selling at \$1.35. Never in the legislative history of any country has a bill failed so completely as the so-called farm bill has failed. And never since the organization of political parties in America has the pledge on which a party was elected to office been so ruthlessly repudiated as the pledge made in the last election to give the farmer a fair price for his products, a fair wage for his labor, and a fair return on his investment.

And the agricultural marketing act has failed to restore agriculture to a plane of economic equality with other industries. In the last political campaign no slogan was more strongly emphasized than the slogan for agricultural equality. In party platforms, in the newspapers, and over the radio, agricultural equality was the most persistently promised of all political panaceas. And yet disparity was never so great and inequality was never so pronounced as it is to-day. To appreciate this disparity it is only necessary to compare the prices the farmer must accept with the prices he must pay; to compare the meager standard of living on the farm with the swollen profits of the factory; to drive along country roads past deserted fields

and abandoned farm houses and contrast them with the teeming opulence of the city, where industry is receiving the largest returns since the war and organized labor is enjoying the highest wage in the history of the world. For the first time since the adoption of the Federal Constitution the decennial census is showing a loss in rural population. The unprecedented exodus of the farm population to the cities in every State in the Union is conclusive evidence, if evidence were needed, that the farm bill has failed to carry out the pledge to place agriculture on a basis of economic equality with other industries.

And last, and most pertinent of all in its relation to the pending question, the agricultural marketing act has failed to give the farmer the benefit of the tariff. High protectionists claim to give the farmer a tariff of 42 cents on wheat. That claim is a mendacious deception of such shameless infamy that the most abandoned swindler would blush to repeat it. A glance at the wheat markets of the world on any day of the year will demonstrate its fallacy.

Minneapolis and Winnipeg are two of the great wheat markets of North America. Winnipeg is just over the line in Canada and Minneapolis is a few miles away on this side of the line in the United States. When the market closed last night No. 1 northern wheat sold in Minneapolis at \$1.02½, while precisely the same grade of wheat sold in Winnipeg at \$1.05¼ per bushel. Over in Canada, where they have no tariff, where they are without the beneficent advantage of an agricultural marketing act, and where they have no Federal Farm Board, the price of wheat is actually higher than it is in the United States, where we have a tariff of 42 cents on wheat and the Hoover bill to make it effective. This was the situation from the time a tariff on wheat was originally enacted. It remained so following the hypocritical increase to 42 cents by presidential proclamation. And it has remained so ever since the enactment of the agricultural marketing act as indicated by the following prices supplementing the tabulation appearing in the CONGRESSIONAL RECORD of May 24, 1929:

Comparative prices of No. 1 northern spring wheat at Minneapolis and Winnipeg, as reported in the Chicago Tribune

Date	Minneapolis	Winnipeg
1929		
May 22	1.04½	1.12½
May 23	1.05½	1.13½
May 24	1.05½	1.13½
May 25	1.03½	1.12½
May 26	1.01	1.10½
May 29	.98½	1.08½
May 30	.98½	1.09½
June 1	.94½	1.05½
June 2	.96	1.07½
June 5	1.06½	1.14½
June 6	1.05½	1.13½
June 7	1.06½	1.15½
June 8	1.08½	1.16½
June 9	1.07½	1.17½
June 11	1.03½	1.14
June 12	1.06½	1.15½
June 13	1.04½	1.13½
June 14	1.05½	1.15½
June 15	1.05½	1.15½
June 16	1.07½	1.16½
June 18	1.05	1.14
June 19	1.05½	1.14½
June 20	1.08½	1.16½
June 21	1.11½	1.18½
June 22	1.12½	1.19½
June 23	1.15½	1.23½
June 25	1.16½	1.20½
June 26	1.15½	1.24½
June 27	1.15½	1.24½
June 28	1.13½	1.22½
June 29	1.16½	1.26½
June 30	1.18½	1.29½
July 3	1.23½	1.34½
July 4	1.25½	1.39½
July 6	1.29½	1.43½
July 7	1.26½	1.41½
July 9	1.27½	1.43½
July 10	1.25	1.41½
July 11	1.26	1.43
July 12	1.27½	1.44½
July 13	1.30½	1.47½
July 14	1.36½	1.55½
July 16	1.45½	1.66½
July 17	1.43½	1.67½
July 18	1.51½	1.76½
July 19	1.46½	1.73½
July 20	1.42½	1.68
July 21	1.39½	1.62
July 23	1.48½	1.69½
July 24	1.45½	1.70
July 25	1.44½	1.68½
July 26	1.48½	1.76½
July 27	1.48½	1.76½
July 28	1.50	1.78½
July 30	1.48½	1.78½
July 31	1.45½	1.72
Aug. 1	1.48½	1.72
Aug. 2	1.49½	1.73½

Comparative prices of No. 1 northern spring wheat at Minneapolis and Winnipeg, as reported in the Chicago Tribune—Continued

Date	Minneapolis	Winnipeg
1929		
Aug. 3	1.44½	1.70½
Aug. 4	1.42	1.68½
Aug. 7	1.31½	1.55½
Aug. 8	1.34½	1.56½
Aug. 9	1.34½	1.55½
Aug. 10	1.34½	1.55½
Aug. 11	1.34½	1.56½
Aug. 13	1.32½	1.52½
Aug. 14	1.31½	1.52½
Aug. 15	1.33½	1.54½
Aug. 16	1.35½	1.56½
Aug. 17	1.39½	1.64
Aug. 18	1.41½	1.67½
Aug. 20	1.37½	1.65½
Aug. 21	1.34½	1.62½
Aug. 22	1.29½	1.58½
Aug. 23	1.28	1.54½
Aug. 24	1.31½	1.57½
Aug. 25	1.29½	1.56
Aug. 27	1.28½	1.53½
Aug. 28	1.29½	1.55½
Aug. 29	1.27½	1.51½
Aug. 30	1.29½	1.52½
Aug. 31	1.29½	1.51½
Sept. 1	1.32½	1.52½
Sept. 4	1.32½	1.52½
Sept. 5	1.30½	1.50½
Sept. 6	1.31½	1.50½
Sept. 7	1.32½	1.51½
Sept. 8	1.35½	1.52½
Sept. 10	1.35½	1.53½
Sept. 11	1.34½	1.53
Sept. 12	1.37½	1.55½
Sept. 13	1.39½	1.57½
Sept. 14	1.39½	1.56½
Sept. 15	1.37½	1.53½
Sept. 17	1.35½	1.50
Sept. 18	1.34½	1.49½
Sept. 19	1.34½	1.50
Sept. 20	1.33½	1.49½
Sept. 21	1.32½	1.48
Sept. 22	1.31½	1.38
Sept. 24	1.30½	1.40½
Sept. 25	1.29½	1.42½
Sept. 26	1.31½	1.43
Sept. 27	1.33½	1.46
Sept. 28	1.33½	1.44
Sept. 29	1.31½	1.41½
Oct. 1	1.34½	1.43½
Oct. 2	1.34½	1.45½
Oct. 3	1.34½	1.44½
Oct. 4	1.33½	1.42½
Oct. 5	1.35½	1.44½
Oct. 6	1.36½	1.45½
Oct. 8	1.35½	1.45½
Oct. 9	1.36½	1.46½
Oct. 10	1.36½	1.47½
Oct. 11	1.35½	1.46½
Oct. 12	1.35½	1.46½
Oct. 15	1.33½	1.45½
Oct. 16	1.33½	1.45½
Oct. 17	1.29½	1.41½
Oct. 18	1.29½	1.42½
Oct. 19	1.28½	1.40½
Oct. 20	1.26½	1.37½
Oct. 22	1.27½	1.38½
Oct. 23	1.28½	1.40
Oct. 24	1.24½	1.37½
Oct. 25	1.18½	1.31½
Oct. 26	1.21½	1.32½
Oct. 27	1.24½	1.34½
Oct. 30	1.25½	1.34½
Oct. 31	1.29½	1.39
Nov. 1	1.29½	1.38½
Nov. 2	1.30½	1.38½
Nov. 3	1.30½	1.38½
Nov. 5	1.28½	1.34½
Nov. 6	1.25½	1.31½
Nov. 7	1.24	1.30
Nov. 8	1.27½	1.32½
Nov. 9	1.25½	1.30½
Nov. 10	1.24½	1.29½
Nov. 13	1.19½	1.23½
Nov. 14	1.20½	1.27½
Nov. 15	1.22½	1.26½
Nov. 16	1.23½	1.28½
Nov. 17	1.27½	1.32½
Nov. 19	1.27	1.31½
Nov. 20	1.31½	1.36½
Nov. 21	1.28½	1.33½
Nov. 22	1.30	1.35½
Nov. 23	1.29	1.34½
Nov. 24	1.31½	1.35½
Nov. 25	1.29½	1.34½
Nov. 27	1.29½	1.34½
Nov. 28	1.30½	1.35½
Nov. 30	1.33	1.39
Dec. 1	1.35½	1.41½
Dec. 3	1.36½	1.40½
Dec. 4	1.38½	1.44½
Dec. 5	1.35½	1.43½
Dec. 6	1.31½	1.40½
Dec. 7	1.33½	1.42
Dec. 8	1.31½	1.40
Dec. 10	1.29½	1.36½
Dec. 11	1.28½	1.37½
Dec. 12	1.27½	1.35½
Dec. 13	1.28½	1.36



Comparative prices of No. 1 northern spring wheat at Minneapolis and Winnipeg, as reported in the Chicago Tribune—Continued

Date	Minneapolis	Winnipeg
1929		
Dec. 14	1.27½	1.35¼
Dec. 15	1.25½	1.32½
Dec. 17	1.26½	1.34½
Dec. 18	1.25½	1.36½
Dec. 19	1.25½	1.36
Dec. 20	1.24½	1.32½
Dec. 21	1.21½	1.29½
Dec. 22	1.20½	1.35
Dec. 24	1.20½	1.35¼
Dec. 25	1.30½	1.40½
Dec. 27	1.31½	1.40½
Dec. 28	1.30½	1.36½
Dec. 29	1.32	1.40½
Dec. 31	1.32½	1.40½
1930		
Jan. 1	1.34½	1.41½
Jan. 3	1.33½	1.39½
Jan. 4	1.31½	1.38½
Jan. 5	1.30½	1.37½
Jan. 7	1.30½	1.36½
Jan. 8	1.29½	1.34½
Jan. 9	1.29½	1.35½
Jan. 10	1.30½	1.35½
Jan. 11	1.27½	1.32½
Jan. 12	1.28½	1.33½
Jan. 14	1.25½	1.31½
Jan. 15	1.25½	1.31½
Jan. 16	1.22	1.29½
Jan. 18	1.20	1.26½
Jan. 21	1.22½	1.28½
Jan. 23	1.24	1.30½
Jan. 24	1.22½	1.29½
Jan. 25	1.22½	1.27½
Jan. 29	1.20½	1.25½
Jan. 30	1.20	1.22½
Jan. 31	1.18½	1.20½
Feb. 2	1.18½	1.24½
Feb. 4	1.18	1.20½
Feb. 5	1.18	1.21½
Feb. 6	1.18	1.20½
Feb. 7	1.18	1.20½
Feb. 8	1.18	1.21½
Feb. 9	1.18	1.21½
Feb. 11	1.17½	1.22½
Feb. 12	1.20	1.24½
Feb. 14	1.18	1.23½
Feb. 15	1.18	1.20½
Feb. 16	1.18	1.19
Feb. 18	1.18	1.14½
Feb. 19	1.18	1.16
Feb. 22	1.18	1.12½
Feb. 25	1.18	1.07½
Feb. 26	1.18	1.07½
Feb. 28	1.18	1.13½
Mar. 1	1.12½	1.13½
Mar. 2	1.25	1.12½
Mar. 4	1.09	1.08½
Mar. 5	1.11½	1.10½
Mar. 6	1.08½	1.07½
Mar. 7	1.09½	1.08½
Mar. 8	1.09½	1.07½
Mar. 9	1.09½	1.06½
Mar. 11	1.08½	1.05½
Mar. 13	1.05½	1.01½
Mar. 14	1.04½	1.00½
Mar. 15	1.03½	1.01
Mar. 16	1.03½	1.02½
Mar. 18	1.04½	1.04½
Mar. 19	1.04½	1.04½
Mar. 20	1.05½	1.06½
Mar. 21	1.07½	1.08
Mar. 23	1.08½	1.06½
Mar. 25	1.07½	1.07½
Mar. 26	1.06½	1.05½
Mar. 27	1.06½	1.06½
Mar. 28	1.06½	1.05½
Mar. 30	1.03½	1.08½
Apr. 1	1.07½	1.06½
Apr. 2	1.07½	1.08½
Apr. 3	1.09½	1.08½
Apr. 4	1.13½	1.13½
Apr. 5	1.11½	1.12½
Apr. 6	1.13½	1.15½
Apr. 8	1.13½	1.14½
Apr. 9	1.10½	1.14½
Apr. 10	1.10½	1.14
Apr. 11	1.11½	1.14½
Apr. 12	1.11½	1.14½
Apr. 13	1.09½	1.12½
Apr. 15	1.06½	1.07½
Apr. 16	1.04½	1.06½
Apr. 17	1.06½	1.09½
Apr. 18	1.05½	1.08½
Apr. 22	1.03	1.07½
Apr. 23	1.01½	1.06½
Apr. 24	1.04½	1.08½
Apr. 25	1.03	1.08
Apr. 26	1.03½	1.06½
Apr. 27	1.02	1.05½
Apr. 29	1.06½	1.07½
Apr. 30	1.05½	1.05½
May 1	1.04½	1.05½
May 2	1.02½	1.05½

<sup>1</sup> No. 2 wheat at Chicago.

Here is irrefragable evidence, so plain that he who runs may read. Here is proof positive that the farm act has failed to stabilize the market, has failed to increase farm prices, and has failed to effectuate farm tariffs. And all the sophistries of the plausible apologists who urged its passage can not explain away this patent proof of its impotence.

The McNary-Haugen bill, twice passed by both Houses of Congress, would have made the tariff effective. The agricultural marketing act has failed to effectuate it in the slightest degree. Under the present tariff law American industry and labor are protected from competition with foreign manufacturers and the pauper labor of Europe, while the farmer must compete with the cheap lands of Argentina, India, Australia, and Russia and with the pauper labor of the world. The farmer must pay high prices for what he buys to support the high standard of living enjoyed by industry and labor and he must accept the low prices on his products fixed by a competition with coolie and peon labor from every quarter of the globe. The agricultural marketing act has failed to give him the benefits of the protective tariff system enjoyed by industry and labor and has failed to give him a penny of the 42 cents promised when they placed a tariff on wheat to justify their own unconscionable tariffs.

The failure of the agricultural marketing act is in nowise a reflection on either the personnel or the policies of the Federal Farm Board. They are, without exception, men of unusual ability and the highest patriotism and are entitled to the support and cooperation of all friends of farm relief. They have tried to keep faith with the farmer. They have sought to achieve the purposes for which the law was enacted. But they can not make bricks without straw.

The law must be supplemented. And the debenture embodied in this bill is the only supplementary legislation on which there will be opportunity to vote in this Congress. Some may prefer other methods of effectuating the marketing act. Personally, I prefer the equalization fee. But the fact remains that we must adopt the debenture or abandon all hope of amending the law during this Congress. It is the debenture or nothing. And a vote to eliminate the debenture is a vote for free trade—free trade for the farmer and the highest protection ever enacted for industry. To consent to leave farm legislation in its present form is to adopt the ethics of an economic racketeer—to connive at the perpetuation of an economic system which is taking from the farmer the products of his toil and sacrifice at less than the cost of production.

To pass this bill without the debenture is class legislation of the most radical character. It confers the benefits of the tariff on the favored classes and leaves the farmer without compensating benefits. It protects American labor and industry and leaves the farmer defenseless against foreign competition. The adoption of the debenture will bring the farmer into the protective system. It will supplement the farm act. It will increase the price of farm products without increasing the cost to the consumer. And to that extent it will contribute to the prosperity of the farmer and of the Nation at large. [Applause.]

Mr. HAWLEY. Mr. Speaker, I yield the remainder of my time to the gentleman from Indiana [Mr. PURNELL].

Mr. PURNELL. Mr. Speaker, ladies and gentlemen of the House, I want to discuss for a few minutes some of the practical aspects of this question.

I want to say, in the first place, that every single vote cast for the debenture plan can serve but one purpose, and that is to hamstring the newly created Federal Farm Board and nullify the agricultural marketing act. [Applause.]

I have no quarrel with gentlemen in this Chamber or elsewhere who honestly favor the proposed debenture plan. On the other hand, I have the highest regard for them. No finer organization has ever come before the Agricultural Committee of the House than the National Grange, the father of this plan. No man stands higher among agricultural leaders than does the Hon. L. J. Taber, the head of the National Grange. [Applause.] He has been perfectly fair and honest at all times and in every capacity; but this is not the time to take any step that will in anyway impede the progress of the Farm Board. Too many are already engaged in that pastime; various groups with no other thought in mind than to destroy this newly created Federal marketing act before it has actually begun to function. This is the last place in the world, here in this Chamber where the marketing act was created, that encouragement should be given to its destruction.

Ladies and gentlemen, the ink is hardly dry on the agricultural marketing act, which we created and which was signed less than a year ago. What do you expect in a few months? We are attempting to change the entire marketing system of this country in a last desperate effort to put American agriculture upon a basis of equality with industry and labor, as we

have sought to do for the last 10 years. If we were attempting to change the marketing system of some minor commodities, such as muskrats, ginseng, or whatnot, it would be a comparatively easy task; but we are attempting to revolutionize and improve the marketing conditions of all of our agricultural commodities. Let me remind you, ladies and gentlemen, that these commodities belong to a basic industry, agriculture, the greatest industry in the world, and one the value of which approaches the combined value of all the railroads, all the manufacturing plants, all the coal mines, plus the capital, surplus, and undivided profits of all the banks and trust companies in the United States. It can not be done overnight. I have no sympathy with any group, whether it be the United States Chamber of Commerce or any other group, which attempts to destroy this great agricultural marketing act before it has had an opportunity to begin. [Applause.]

Do not be deceived. The farmers of this country have confidence in Herbert Hoover. [Applause.] The farmers of this country, and I know whereof I speak, have confidence in the Federal Farm Board. [Applause.] In stressing the fact that the debenture plan is optional with the board and waving aside the suggestion that its adoption will bring immediate pressure upon that body, my beloved friend from the State of Texas [Mr. SUMNERS] said, "What does it matter if you do put on pressure if nothing happens?" Well, pressure may be applied and the board may or may not yield. But let me tell you where the pressure will hurt. It will tend to destroy the morale and awaken the suspicion of the American farmer, without whose wholehearted cooperation this thing never will succeed. Do not destroy his faith in the marketing act until it has been thoroughly tested and found wanting. The very heart of the act is cooperation. Without it there can be no success.

I voted for the equalization fee. I say now that if after we have given the agricultural marketing act an opportunity to be thoroughly tested and tried out we then find it inadequate. I, as one member of the Committee on Agriculture, stand ready to give a sympathetic ear to the debenture plan, the equalization-fee plan, or any other plan that anybody can suggest that may serve to solve this problem, but this is not the time.

Now, there is one element in this program to which I have only a minute to refer, and that is an element against which you can not legislate—human selfishness. I direct your attention to the tremendous possibilities of further surpluses if we add this debenture plan. If by the acceptance of this plan we announce to the farmers of the Nation that by some mysterious means we are going to guarantee an adequate return upon their investment and insure a profitable price for their products by meeting the losses from the Federal Treasury, there are some who will plow up their barnyards and fence corners in an effort to increase production. The inevitable result of such course will be to create still greater surpluses, the very thing we have been trying to prevent throughout all of these years.

I appeal to you ladies and gentlemen to set aside this debenture plan for to-day; reject it; hold it in abeyance; give this Farm Board an unhampered opportunity to function, and in so doing we shall, in my humble judgment, be performing a great service to American agriculture and likewise the Nation.

Let me say just this word in conclusion. I tried to say it yesterday, but found that the hardest thing to do is to make any sort of a speech in three minutes. I want to say this in conclusion to those of you who come from consuming centers. We hear much to-day about unemployment. Yes; there is unemployment in the country; it is to be regretted, but let me tell you Representatives from the consuming centers how to reduce that unemployment to a minimum: Help us restore the purchasing power of the American farmer [applause], and we will send back into your mills and your factories 95 per cent of the men who are walking the streets to-day out of employment.

The American farmer is your best customer when he has the money with which to buy. [Applause.]

The SPEAKER. All time has expired. The question is on the motion of the gentleman from Washington to recede and concur in the Senate amendment.

Mr. CRISP. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 161, nays 231, not voting 36, as follows:

[Roll No. 341]  
YEAS—161

Abernethy	Bankhead	Browne	Campbell, Iowa
Allgood	Bell	Browning	Canfield
Almon	Bland	Buchanan	Cannon
Andresen	Box	Burress	Cartwright
Arnold	Brand, Ga.	Busby	Christgau
Ayres	Brand, Ohio	Butler	Christopherson
Baird	Briggs	Byrns	Clague

Clark, N. C.	Hall, Miss.	McFadden	Robinson
Collier	Hall, N. Dak.	McKeown	Romjue
Collins	Halsey	McMillan	Rutherford
Cooper, Tenn.	Hammer	McReynolds	Sabath
Cooper, Wis.	Hare	McSwain	Sanders, Tex.
Cox	Hastings	Magrady	Sandlin
Crisp	Haugen	Mansfield	Schneider
Cross	Hill, Ala.	Milligan	Selvig
Davis	Hill, Wash.	Montague	Sinclair
DeKouen	Howard	Montet	Smith, Idaho
Dominick	Hull, Tenn.	Moore, Ky.	Sproul, Kans.
Doughton	Hull, Wis.	Moore, Va.	Steagall
Dowell	Irwin	Morehead	Stevenson
Doxey	Jeffers	Morgan	Summers, Wash.
Driver	Johnson, Okla.	Mouser	Summers, Tex.
Edwards	Johnson, S. Dak.	Murphy	Tarver
Eslick	Johnson, Tex.	Nelson, Mo.	Taylor, Colo.
Esterly	Jones, Tex.	Nelson, Wis.	Taylor, Tenn.
Fisher	Kading	Nolan	Thompson
Frear	Kemp	O'Connor, La.	Thurston
Fuller	Kerr	Oldfield	Underwood
Fulmer	Ketcham	Oliver, Ala.	Vinson, Ga.
Gambrell	Kinzer	Oliver, N. Y.	Warren
Garber, Okla.	Kvale	Parks	Whittington
Garrett	Lambertson	Patman	Williams
Gasque	Lampert	Patterson	Williamson
Glover	Lanham	Peavey	Wilson
Goldsborough	Lankford, Ga.	Pou	Wingo
Goodwin	Larsen	Quin	Woodrum
Green	Leavitt	Ragon	Wright
Greenwood	Linthicum	Rainey, Henry T.	Yon
Gregory	Lozier	Ramspeck	
Hall, Ill.	McClintic, Okla.	Rankin	
	McDuffie	Rayburn	

#### NAYS—231

Ackerman	Denison	Johnson, Wash.	Reece
Adkins	De Priest	Johnston, Mo.	Reed, N. Y.
Aldrich	Dickstein	Jonas, N. C.	Reid, Ill.
Allen	Douglass, Mass.	Kahn	Rogers
Andrew	Doutrich	Kearns	Sanders, N. Y.
Arentz	Drane	Kelly	Schafer, Wis.
Aswell	Dyer	Kendall, Ky.	Sears
Auf der Heide	Eaton, Colo.	Kennedy	Seger
Bacharach	Eaton, N. J.	Kiefner	Sieberting
Bachmann	Elliott	Kiess	Shaffer, Va.
Bacon	Ellis	Kincheloe	Short, Mo.
Barbour	Englebright	Knutson	Short, W. Va.
Beedy	Estep	Kopp	Simmons
Beers	Evans, Calif.	Korell	Sloan
Black	Fenn	LaGuardia	Smith, W. Va.
Blackburn	Finley	Langley	Snow
Bloom	Fish	Lankford, Va.	Somers, N. Y.
Bohn	Fitzgerald	Lea	Sparks
Bolton	Fitzpatrick	Leibach	Speaks
Bowman	Fort	Letts	Spearing
Boylan	Foss	Lindsay	Sproul, Ill.
Brigham	Free	Luce	Stafford
Brumm	Freeman	McClintock, Ohio.	Stobbs
Brunner	French	McCormack, Mass.	Strong, Kans.
Buckbee	Garber, Va.	McCormick, Ill.	Strong, Pa.
Cable	Gavagan	McLaughlin	Swanson
Campbell, Pa.	Gibson	Maas	Swick
Carley	Gifford	Manlove	Swing
Carter, Calif.	Golder	Mapes	Taber
Carter, Wyo.	Graham	Martin	Temple
Celler	Granfield	Mead	Thatcher
Chalmers	Griffin	Menges	Tilson
Chase	Guyer	Merritt	Timberlake
Chindblom	Hadley	Michaelson	Tinkham
Clancy	Hale	Michener	Treadway
Clark, Md.	Hall, Ind.	Miller	Turpin
Clarke, N. Y.	Hancock	Moore, Ohio	Underhill
Cochran, Mo.	Hardy	Nelson, Me.	Vestal
Cochran, Pa.	Hartley	Newhall	Vincent, Mich.
Cole	Hawley	Niedringhaus	Wainwright
Colton	Hess	Norton	Walker
Connery	Hickey	O'Connell, N. Y.	Wason
Connolly	Hoch	O'Connor, N. Y.	Watres
Cooke	Hoffman	O'Connor, Okla.	Watson
Cooper, Ohio	Hogg	Owen	Welch, Calif.
Corning	Holaday	Palmer	Weish, Pa.
Coyle	Hooper	Palmisano	White
Craddock	Hope	Parker	Whitley
Craik	Hopkins	Perkins	Wigglesworth
Cramton	Houston, Del.	Pittenger	Wolfenden
Crosser	Huddleston	Prall	Wolverton, N. J.
Crowther	Hudson	Pratt, Harcourt J.	Wolverton, W. Va.
Cullin	Hull, Morton D.	Pratt, Ruth	Wood
Cullen	Hull, William E.	Pritchard	Woodruff
Dallinger	Igoe	Purnell	Wurzbach
Darrow	Jenkins	Ramey, Frank M.	Yates
Davenport	Johnson, Ind.	Ramsayer	Zihlman
Dempsey	Johnson, Nebr.	Ransley	

#### NOT VOTING—36

Beck	Garner	McLeod	Snell
Britten	Hudspeth	Mooney	Stalker
Burdick	James	O'Connell, R. I.	Stedman
Curry	Johnson, Ill.	Porter	Stone
Dickinson	Kendall, Pa.	Quayle	Sullivan, N. Y.
Douglas, Ariz.	Kunz	Rowbottom	Sullivan, Pa.
Doyle	Kurtz	Shreve	Tucker
Drewry	Leech	Simms	Whitehead
Dunbar	Ludlow	Sirovich	Wyant

So the motion to recede and concur in the Senate amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Whitehead (for) with Mr. Shreve (against).

Mr. Garner (for) with Mr. Britten (against).

Mr. Dickinson (for) with Mr. Ludlow (against).

Mr. Tucker (for) with Mr. Simms (against).



Mr. Drewry (for) with Mr. Beck (against).  
 Mr. Hudspeth (for) with Mr. Mooney (against).  
 Mr. Stedman (for) with Mr. Quayle (against).  
 Mr. Kurtz (for) with Mr. McLeod (against).

**Until further notice:**

Mr. Dunbar with Mr. Douglas of Arizona.  
 Mr. Wyant with Mr. Kunz.  
 Mr. Sullivan of Pennsylvania with Mr. Sullivan of New York.  
 Mr. Porter with Mr. Doyle.  
 Mr. Kendall of Pennsylvania with Mr. Sirovich.  
 Mr. Snell with Mr. O'Connell of Rhode Island.  
 Mr. Burdick with Mr. James.  
 Mr. Curry with Mr. Johnson of Illinois.

The result of the vote was announced as above recorded.

On motion of Mr. HAWLEY, a motion to reconsider the vote by which the motion was rejected was laid on the table.

The SPEAKER. The vote just taken is tantamount to agreeing to a motion that the House insist on its disagreement to the Senate amendment, and the Clerk will report the next amendments in disagreement.

The Clerk read as follows:

Amendment No. 1129, page 332, line 23, strike out the word "seven" and insert the word "six."

Amendment No. 1130, page 333, line 2, after the word "office," insert the words "provided his successor is appointed and takes office within 90 days after the effective date of this act."

Amendment No. 1131, page 333, line 4, strike out the words "No person shall be eligible for appointment as a commissioner unless he is a citizen of the United States, and, in the judgment of the President, is possessed of qualifications requisite for developing expert knowledge of tariff problems and efficiency in administering the provisions of part 2 of this title," and insert: "Not more than three of the commissioners shall be members of the same political party, and in making appointments members of different political parties shall be appointed alternately as nearly as may be practicable. It is hereby declared to be the intention of Congress to provide that the Tariff Commission, in all its official functions, shall act judicially, and that in the determination of any matter submitted to it, no consideration whatever shall be given to partisanship or party policy."

Amendment No. 1132, page 333, line 23, strike out the word "seven" and insert the word "six."

Amendment No. 1133, page 333, line 25, strike out the word "seven" and insert the word "six."

Amendment No. 1134, page 334, line 9, after the word "commission," insert the words "In designating the chairman and vice chairman, commissioners of different political parties shall be designated alternately."

Amendment No. 1135, page 334, line 17, strike out the figures "\$12,000" and insert the figures "\$10,000."

Amendment No. 1138, page 340, line 12, after the word "year," insert a colon and the words "Provided further, That when Congress shall have under consideration a tariff measure, the Tariff Commission, upon request of any Member of Congress, shall furnish to such Member all information hereafter obtained at its command pertaining to the cost of production of any article under consideration manufactured in the United States."

Amendment No. 1139, page 340, line 19, insert the following:

"(h) In investigating differences in costs of production for any purpose, the commission shall obtain such costs for a normal and representative period. In connection with any such investigation of differences in costs of production, the commission shall inquire into the following matters and shall include in its report upon such investigation a summary of the facts with respect to such matters:

"(1) The efficiency and economic operation and location of the domestic industry under consideration;

"(2) The conditions of such domestic industry with respect to profits and losses, the extent to which productive capacity is utilized, and the extent of unemployment;

"(3) The extent to which adverse conditions of production may be due to foreign competition or to other specified factors;

"(4) The extent to which adverse conditions of production may be remedied by adjustments in the tariff laws, taking into consideration the substitution of articles used for the same purposes as the articles under consideration, and taking into consideration any other pertinent competitive factors; and

"(5) The effects of any proposed increase or decrease in rates of duties on other domestic industries and on the export trade of the United States."

Amendment No. 1140, page 346, strike out the balance of the page after line 5, all of page 347, all of page 348, all of page 349, all of page 350, all of page 351, and all of page 352, and insert the following:

"SEC. 336. Recommendations for adjustment of duties: (a) Upon its own motion or upon application of any interested party showing good and sufficient reason therefor, the commission shall investigate and ascertain the differences in the cost of production of any domestic article and of any like or similar foreign article. If the commission finds it shown by the investigation that the duty imposed by

law upon the foreign article does not equalize the differences in the cost of production of the domestic article and of the foreign article when produced in the principal competing country or countries, then the commission shall report to the President and to the Congress such increases or decreases in the duty upon the foreign article as the commission finds to be necessary in order to equalize such differences in the cost of production. Any such increased or decreased duty may include the transfer of the article from the dutiable list to the free list or from the free list to the dutiable list, a change in the form of duty, or a change in classification. The report shall be accompanied by a statement of the commission setting forth the findings of the commission with respect to the differences in costs of production, the elements of cost included in the cost of production of the respective articles as ascertained by the commission, and any other matter deemed pertinent by the commission.

"The President upon receipt of any such report of the commission, shall promptly transmit the report to the Congress with his recommendations, if any, with respect to the increase or decrease in duty proposed by the commission.

"Any bill having for its object the carrying out, in whole or in part, of the recommendations made by the commission in any such report shall not include any item not included in such report; and in the consideration of such bill, either in the House of Representatives or in the Senate, no amendment thereto shall be considered which is not germane to the items included in such report.

"(b) No report shall be made by the commission under this section unless the determination of the commission with respect thereto is reached after an investigation by the commission during the course of which the commission shall have held hearings and given reasonable public notice of such hearings, and reasonable opportunity for the parties interested to be present, produce evidence, and to be heard. The commission is authorized to adopt such reasonable rules of procedure as may be necessary to execute its functions under this section.

"(c) In ascertaining the differences in costs of production under this section the commission shall take into consideration, in so far as it finds it practicable—

"(1) The differences in conditions of production, including wages, costs of materials, and other items in cost of production of like or similar articles in the United States and in competing foreign countries;

"(2) Costs of transportation;

"(3) Other costs including the cost of containers and coverings of whatever nature and other charges and expenses incident to placing the article in condition, packed ready for delivery, storage costs in the principal market or markets of the United States and of the principal competing country or countries, and costs of reconditioning or repacking wherever incurred;

"(4) Differences between the domestic and foreign article in packing and containers, and in condition in which received in the principal markets of the United States;

"(5) Differences in wholesale selling prices of domestic and foreign articles in the principal markets of the United States in so far as such prices are indicative of costs of production, provided such costs can not be satisfactorily obtained;

"(6) Advantages granted to a foreign producer by a foreign government or by a person, partnership, corporation, or association in a foreign country; and

"(7) Any other advantages or disadvantages in competition which increase or decrease in a definitely determinable amount the total cost at which domestic or foreign articles may be delivered in the principal market or markets of the United States; and

"(8) Definition of costs of transportation: Costs of transportation for the purposes of this section shall be held to include, in so far as applicable:

"First. Freight charges and all other charges incident to transportation, including transit insurance, costs of loading and unloading, and port charges and landing charges. These costs shall be computed to such principal market or markets of the United States as may most nearly insure equal competitive opportunity to domestic articles and like or similar foreign articles in the principal consuming region or regions of the United States. If this purpose may be best accomplished thereby, such costs on domestic articles and on like or similar foreign articles shall be computed to different principal markets of the United States.

"Second. (A) In the case of an imported article, the cost of transporting such article from the areas of substantial production in the principal competing country to the principal port of importation of such article into the United States; and (B) in the case of a domestic article, the cost of transporting such article from the areas of substantial production that can reasonably be expected to ship the article thereto, to the principal port of importation into the United States of the like or similar competitive article."

Amendment No. 1141, page 357, after line 8, insert the following:

"(d) In the case of natural resources and products of manufacture therefrom the commission shall take into consideration the question of depletion and shall consider the facts both as to the available remaining

supply of the natural resource in question and of its various important grades, species, or varieties, and give due weight to the necessity of reaching such conclusions as will conform to wise and sound policies of conservation."

Amendment No. 1151, page 366, strike out all of lines 23, 24, and 25, and on page 367, strike out lines 1, 2, and 3, and insert the following:

"Sec. 339. Effect of reenactment of existing law: Notwithstanding the repeal by section 651 (a) of the laws relating to the United States Tariff Commission and their reenactment in sections 330 to 338, inclusive, with modifications, the unexpended balances of appropriations available for the commission at the time this act takes effect shall remain available for the commission in the administration of its functions under this act; and such repeal and reenactment shall not operate to change the status of the officers and employees under the jurisdiction of the commission at the time this act takes effect. No investigation or other proceeding pending before the commission at such time (other than proceedings under sec. 315 of the tariff act of 1922) shall abate by reason of such repeal and reenactment, but shall continue under the provisions of this act."

Mr. HAWLEY. Mr. Speaker, all of these amendments relate to the organization of the Tariff Commission and its functions. It seems to me they should be considered together for the purpose of debate. I ask unanimous consent that there be three hours of general debate, one half to be controlled by the gentleman from Mississippi [Mr. COLLIER], or some one appointed by him, and the other half by myself. At the end of the debate I intend to ask that all of these amendments be referred to the conference.

This is an involved subject and the conference ought to consider it as a committee and report back a consistent line of policy for all the matters; otherwise, if the matters are debated and amended here without opportunity for investigation of all the items carefully, we might do that which we would not intend to do.

Mr. CRISP. Will the gentleman from Oregon yield?

Mr. HAWLEY. With pleasure.

Mr. CRISP. The gentleman, of course, does not include in that statement the flexible tariff amendment.

Mr. HAWLEY. Yes; the whole subject of the Tariff Commission and its work, including the flexible tariff provision.

Mr. CRISP. We would have to object to that. Upon this side there will be a motion to concur in the Senate amendment providing for the flexible tariff.

Mr. HAWLEY. Let me ask the gentleman if he would be willing to refer without debate all the amendments relating to the Tariff Commission other than the flexible provision?

Mr. CRISP. Personally, yes.

Mr. HAWLEY. Then, Mr. Speaker, I ask unanimous consent that on the amendments 1129, 1130, 1131, 1132, 1133, 1134, 1135, 1138, and 1139 the House insist on its disagreement to the Senate amendments.

Mr. COLLIER. Mr. Speaker, reserving the right to object, and I think I shall object, my understanding from my conversation with the chairman was that we would discuss all these questions together, amendments 1129, 1130, 1131, 1132, 1133, and so on, one of them relating to whether or not there will be six or seven members of the Tariff Commission, another relating to whether or not there will be a nonpartisan commission or whether there will be three of one party and three of another party, and several of the other amendments depend upon the success of these amendments.

Mr. HAWLEY. That was the request I preferred, and the gentleman from Georgia [Mr. CRISP] objected to considering all the amendments together and indicated he would have no objection to sending the ones I mentioned to conference and having the debate at this time on amendments 1140, 1141, and 1151.

Mr. COLLIER. I want to say that in no conversation with the chairman of the committee did I gather that we would not have an opportunity to have a roll-call vote this afternoon on the flexible tariff provision, as the gentleman from Georgia [Mr. CRISP] has suggested.

Mr. HAWLEY. That would come up under the suggestion of the gentleman from Georgia [Mr. CRISP].

Mr. COLLIER. And, so far as I am concerned, it will be agreeable to give us a vote on the flexible tariff provision and let us debate all of these amendments. I have no doubt the major portion of the debate will be on the flexible tariff provision. We have expected this and our Members have been waiting here to vote on the flexible tariff provision.

Mr. HAWLEY. There is no intention on this side of preventing a vote on the flexible tariff provision at any time.

Mr. CRISP. Will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. CRISP. I think I have demonstrated throughout this debate that I am very anxious to cooperate with my friend the distinguished chairman of the committee in every way I can as to the method he desires the amendment considered, except where I thought there was a vital issue that I wanted the House to vote on. I have no objection whatever to sending the perfecting amendments the gentleman speaks of back to conference, but the amendment of the Senate outlining the Senate plan of a flexible tariff is separate and distinct from the others and there is no reason why the conferees should have the consideration of that. It is a concrete, distinct, substantive proposition that the House can vote on, and the minority desires to vote to recede and concur in that amendment, and should we prevail that would end the matter.

So far as I am concerned, I have no objection whatever to the other matters going back to conference.

Mr. HAWLEY. Let me submit another unanimous-consent request.

I ask unanimous consent, Mr. Speaker, that the amendments already stated be considered together for the purposes of debate for three hours, one-half to be controlled by the gentleman from Mississippi [Mr. COLLIER] and the other one-half by myself; and that at the end of that time it will be agreed that the amendments relating solely to the Tariff Commission—Nos. 1129, 1130, 1131, 1132, 1133, 1134, 1135, 1138, and 1139—be sent to conference, and that a vote be taken on the flexible-tariff provision—amendments Nos. 1140, 1141, and 1151.

Mr. CRISP. And vote on those en bloc.

Mr. HAWLEY. Yes; and vote on the last three en bloc.

Mr. COLLIER. Mr. Speaker, reserving the right to object, and I shall not object, I wish the gentleman would substitute for my name the name of the gentleman from Arkansas [Mr. RAGON], who is to have charge of the flexible tariff provision.

Mr. HAWLEY. At the suggestion of the gentleman from Mississippi, Mr. Speaker, I modify my request to give one-half of the time to the gentleman from Arkansas [Mr. RAGON].

The SPEAKER. The gentleman from Oregon now asks unanimous consent that for the purposes of debate amendments Nos. 1129, 1130, 1131, 1132, 1133, 1134, 1135, 1138, and 1139, and amendments Nos. 1140, 1141, and 1151 be considered together, and that debate shall continue for three hours, one-half to be controlled by himself and the other one-half by the gentleman from Arkansas [Mr. RAGON]; and at the conclusion of the debate all the amendments up to but not including 1140, 1141, and 1151 be disagreed to and sent to conference. Is there objection?

Mr. WINGO. Mr. Speaker, reserving the right to object, as I understand, those that are sent to conference are the ones with reference to the Tariff Commission and do not affect the flexible tariff provision at all.

Mr. HAWLEY. That is true.

Mr. WINGO. Are we going to have three hours of debate and talk about these other matters? Why confuse the debate and talk about something that you have already agreed shall go back to conference? I am perfectly willing to stay here all night, if necessary, but you have just one substantive proposition before the House, and that is the flexible-tariff provision. If somebody wants to talk about salaries, why not let him extend his remarks in the Record and save us the trouble of having to sit here and listen to it? I shall not object, but I hope that gentlemen will try to confine their debate to what we are to vote on, and extend their remarks on the other matters.

Mr. CRISP. Mr. Speaker, may I submit this parliamentary inquiry?

I think I understand it, but some one called my attention to the fact that the Speaker did not include my proposition. The way the Speaker stated the proposition at the end of the debate it was understood the House insisted on its disagreement, and the amendments were to go to conference except the three amendments dealing with the flexible-tariff provision, and that they would be voted on en bloc.

The SPEAKER. The statement of the Chair was complete except for the last few words. The three amendments relating to the flexible tariff are to be voted on en bloc.

Mr. CRISP. And I presume the gentleman from Oregon [Mr. HAWLEY] will move that the House insist on its disagreement, and a preferential motion to recede and concur will be made on this side.

The SPEAKER. The Chair so understands the procedure. Is there objection to the request of the gentleman from Oregon? There was no objection.

The SPEAKER. The gentleman from Oregon is recognized for one hour and a half and the gentleman from Arkansas [Mr. RAGON] for one hour and a half.

Mr. CRISP. Mr. Speaker, a parliamentary inquiry.



The SPEAKER. The gentleman will state it.

Mr. CRISP. I understand that a motion to further insist, and a motion to recede and concur are to be made should they be entered after debate, or should those motions be entered now?

The SPEAKER. Either way, but under the circumstances the Chair thinks it will be in order to submit them immediately after debate.

Mr. CRISP. That is satisfactory to us.

Mr. HAWLEY. Mr. Speaker, I yield 20 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker, ladies, and gentlemen, when the tariff bill was before the House in May, 1929, I made some remarks at that time relative to the organization of the Tariff Commission. It may not be out of place to repeat what was then said. In the President's message to Congress on April 16, 1929, he used the following language:

I am impressed with the fact that we also need important revision in some of the administrative phases of the tariff. The Tariff Commission should be reorganized and placed upon a basis of higher salaries in order that we may at all times command men of the highest attainments.

The House bill carries out this suggestion of the President and therefore we ask that the House insist on the language in section 330, as written by this body.

The authority for the present Tariff Commission appears in section 700 of the revenue act of 1916, except certain provisions which appeared in the act of 1922. It is proper that we should carry the authorization of the Tariff Commission and all references thereto in this bill which has to do with the purposes for which the commission was appointed.

The difference between the House provisions and the Senate amendments are very apparent.

The House bill authorizes a board of seven. The Senate reduces it to six.

The House fixes the salary at \$12,000. The Senate reduces it to \$10,000.

The House makes the tenure of office seven years. The Senate reduces it to six.

The House provides for an absolutely nonpartisan board and, in the words of the House bill, a man to be eligible for the position of commissioner shall be a person who—

In the judgment of the President is possessed of qualifications requisite for developing expert knowledge of tariff problems and efficiency in administering the provisions of part 2 of this title.

In all the amendments to the tariff bill submitted by the Senate I doubt if there is more peculiar language used anywhere than in the amendment the Senate offers to this section, particularly amendment 1131, by which it strikes out the language I have just read in the House bill and substitutes the following:

Not more than three of the commissioners shall be members of the same political party, and in making appointments members of different political parties shall be appointed alternately as nearly as may be practicable. It is hereby declared to be the intention of Congress to provide that the Tariff Commission, in all of its official functions, shall act judicially, and that in the determination of any matter submitted to it no consideration whatever shall be given to partisanship or party policy.

In other words, the Senate would continue the present arrangement of the commission, which has been so severely criticized, making it bipartisan, three members from each party. However, in setting up such organization, the Senate states—

That in the determination of any matters submitted to it no consideration whatever shall be given to partisanship or party policy.

Whoever was responsible for the insertion of that language in the amendment must have visualized a Utopia. To appoint these men because they belong to the two political parties, and then tell them they must have no political opinions nor give any consideration to partisanship or party policy is the height of absurdity. Such a man is yet to be born. Which method of selection does this House prefer? A man who, in the judgment of the President, has the qualifications irrespective of his politics to deal judicially with information submitted in a scientific way, or a man who knows that he holds the position to which he has been appointed because he happens to be either a Republican or a Democrat?

Mr. GREEN. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. Briefly.

Mr. GREEN. Does not the gentleman realize that in each political party there are men big enough for the Tariff Commission, and that a well-balanced government is a nonparty form of government?

Mr. TREADWAY. Mr. Speaker, I do not want to be discourteous, but I decline to yield further.

I know it will be said that under the House scheme partisanship prevails. The contrary is the fact. Partisanship will continue in the commission if it is made an evenly numbered body and is equally divided between the two parties. Whenever a presidential election is held, whether the successful candidate be a Republican or a Democrat, he becomes the President of all the people and is entitled to the respect of all citizens. I have such a high opinion of the electorate of this country that I can not conceive of any man being selected as the candidate of either of the great parties for the exalted office of President whose opinions and judgment in the selection of men should not be respected.

In addition to that, when he is selected by the electorate for the position the responsibility of successful administration of government is his. He should have the privilege of selecting men who in his judgment will properly fill the positions to which they are to be assigned, and the President should not be hamstrung by such language as the Senate has inserted in the bill.

I have absolute confidence in the judgment of the gentleman now occupying the White House. I have the same opinion of the judgment of the gentleman who was his Democratic opponent at the election two years ago. If he had been selected President by the people of this country, he would have gone to that great office well equipped as a judge of men, well equipped by his executive training as Governor of the great State of New York. As a Republican against him in politics, I would have trusted to his judgment in the selection of candidates for positions who are responsible to him, exactly as I am to-day satisfied to accept the judgment of President Hoover. In that connection, let me read these few lines:

In the belief that provision for a bipartisan tariff commission promotes rather than eliminates politics, I would ask Congress to give me authority to appoint a commission of five members from among the best qualified in the country to deal with the problem, irrespective of party affiliations, with a salary sufficiently large to induce them to devote themselves exclusively to this important work.

That is an extract from an address delivered by the then Gov. Alfred E. Smith, candidate for President of the United States, at Louisville, Ky., October 13, 1928. It is simply confirmatory of the position he would have asked his party associates to have taken in the formation of this commission had he been in the White House to-day, so that President Hoover and ex-Governor Smith are in accord in the form of a Tariff Commission that President Hoover has asked for, and Governor Smith would have asked for if he had been in a position to do so.

Mr. LINTHICUM. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. LINTHICUM. I know the gentleman is criticizing the Senate amendment. Is it the intention to refer that amendment back to the conference?

Mr. TREADWAY. That is the agreement already entered into. The agreement is that these amendments all go back to conference.

Mr. LINTHICUM. Including this one?

Mr. TREADWAY. Everything except the flexible provision. The matter I am now discussing is not to be voted on this afternoon, but will be referred back to conference.

Mr. LINTHICUM. Yesterday the chairman of the committee submitted and had read amendments which he wanted, for our instruction. To-day nothing of that kind has been done.

Mr. TREADWAY. No. My understanding is that there will be no vote on anything this afternoon except the flexible tariff provision, which will come at the end of three hours' discussion, and that debate in the meantime has to do with all the amendments. Therefore, I am discussing the personnel of the Tariff Commission.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. CELLER. The gentleman speaks of an accord between Mr. Smith and President Hoover. Of course that accord is only limited to the structure of the Tariff Commission and does not refer in any way to the flexible provision.

Mr. TREADWAY. Oh, no. I simply meant in the language that I quoted from him that Mr. Smith is in accord with the suggestion of the House bill, that there be an odd number of members of this board, and that they should be appointed because of their qualifications as tariff students or experts rather than because of the fact that they are Democrats or Republicans.

A further indication of the Senate's desire to have the commission a political one appears in amendment 1134, which provides that the President, in designating the chairman and vice chairman, must appoint commissioners of different political parties alternately. We have the examples of other commissions and boards which are successfully functioning without political requirements. In this list are the Federal Farm Board, the Federal Reserve Board, and the Board of Tax Appeals. There are two outstanding commissions where political requirement appear, namely, the Interstate Commerce Commission and the Federal Trade Commission. The Interstate Commerce Commission has such a large membership, being composed of 11 members, that it can very well be divided along political lines, but you will note that it consists of an odd number of members. The Federal Trade Commission is, of course, a political body, as it was created during the first administration of President Wilson. If there was any chance to show political favoritism that was the time when it operated at 100 per cent on high.

The desire has long been expressed to take the tariff out of politics. No one thing will serve to keep it in politics more than the provision inserted in the bill by the Senate in the amendment requiring the board to be bipartisan.

Although I strongly favor the House provisions and hope they will eventually be adopted by the two branches, I nevertheless agree that the question is one of such vital importance that, not having been discussed in conference, these amendments should be referred to the conference at the present time in order that a practical and suitable provision may be carefully studied and report made to the branches.

I shall pass on now from the consideration of the organization of the Tariff Commission to the item on which a vote is to be taken this afternoon, namely, the flexible-tariff provision.

In order to have a complete understanding of the details of the flexible-tariff provision it is necessary to give consideration to the language of the present law, the corresponding language in the bill as it passed the House, and the language of the Senate amendment.

The language of section 315 (a) of the tariff act of 1922 is as follows:

TARIFF ACT OF 1922

SEC. 315. (a) That in order to regulate the foreign commerce of the United States and to put into force and effect the policy of the Congress by this act intended, whenever the President, upon investigation of the differences in costs of production of articles wholly or in part the growth or product of the United States and of like or similar articles wholly or in part the growth or product of competing foreign countries, shall find it thereby shown that the duties fixed in this act do not equalize the said differences in costs of production in the United States and the principal competing country, he shall, by such investigation, ascertain said differences and determine and proclaim the changes in classifications or increases or decreases in any rate of duty provided in this act shown by said ascertained differences in such costs of production necessary to equalize the same. Thirty days after the date of such proclamation or proclamations such changes in classification shall take effect, and such increased or decreased duties shall be levied, collected, and paid on such articles when imported from any foreign country into the United States or into any of its possessions (except the Philippine Islands, the Virgin Islands, and the islands of Guam and Tutuila): *Provided*, That the total increase or decrease of such rates of duty shall not exceed 50 per cent of the rates specified in Title I of this act, or in any amendatory act.

H. R. 2667 AS PASSED BY THE HOUSE

Sec. 336. Equalization of competitive conditions.

(a) Change of classification or duties: In order to put into force and effect the policy of Congress by this act intended, the President shall investigate the differences in conditions of competition in the principal market or markets of the United States between domestic articles and like or similar competitive imported articles. If the President finds it thereby shown that the duties expressly fixed by statute do not equalize the differences in such conditions of competition in the principal markets of the United States between a domestic article and a like or similar competitive article imported from the principal competing country, he shall proclaim such changes in classification or such increases or decreases in rates of duty expressly fixed by statute as, in his judgment, are shown by an investigation to be necessary to equalize such differences. In no case shall the total increase or decrease of such rates of duty exceed 50 per cent of the rates expressly fixed by statute.

H. R. 2667 AS PASSED BY THE SENATE

Sec. 336. Recommendations for adjustment of duties: (a) Upon its own motion or upon application of any interested party showing good and sufficient reason therefor, the commission shall investigate and ascertain the differences in the cost of production of any domestic article and of any like or similar foreign article. If the commission

finds it shown by the investigation that the duty imposed by law upon the foreign article does not equalize the differences in the cost of production of the domestic article and of the foreign article when produced in the principal competing country or countries, then the commission shall report to the President and to the Congress such increases or decreases in the duty upon the foreign article as the commission finds to be necessary in order to equalize such differences in the cost of production. Any such increased or decreased duty may include the transfer of the article from the dutiable list to the free list, or from the free list to the dutiable list, a change in the form of duty, or a change in classification. The report shall be accompanied by a statement of the commission setting forth the findings of the commission with respect to the differences in costs of production, the elements of cost included in the cost of production of the respective articles as ascertained by the commission, and any other matter deemed pertinent by the commission.

The President, upon receipt of any such report of the commission, shall promptly transmit the report to the Congress with his recommendations, if any, with respect to the increase or decrease in duty proposed by the commission.

Mr. CELLER. Mr. Speaker, will the gentleman yield there, briefly?

Mr. TREADWAY. Yes.

Mr. CELLER. I notice that the provision in the act we are voting on precludes the right of appeal by any one aggrieved from the Court of Customs Appeals to the Supreme Court, and the conferees on our side receded from their proposition, that there should be such an appeal as now exists in the present law. Will the gentleman be willing to disclose the reasons for that recession?

Mr. TREADWAY. I have not given that particular attention. I am only covering the flexible provision matter in a general way, not in the detailed way the gentleman indicates.

I want particularly to call to the attention of the House the language in which the President is directed to investigate—

the differences in conditions of competition in the principal market or markets of the United States between domestic articles and like or similar competitive imported articles.

The Senate amendments restores the unwieldy language of the present law, whereas the House broadens the comparisons by making the difference to consist of an inquiry between the domestic article and a like or similar competitive article imported from the principal competing country.

The practical result of the language in the present law is that in such investigations as have been conducted by the Tariff Commission inquiries have been necessary on the ground of foreign countries producing the articles imported in competition with the domestic product. On the other hand, the language of the House bill would permit the Tariff Commission to secure its facts not necessarily upon the identical article but upon "a like or similar competitive article imported from the principal competing country."

Another practical result of the present law has been to prevent representatives of the Tariff Commission from conducting inquiries in the principal competing markets as to the cost of production of linseed or flaxseed. Italy, through its embassy, expressed such objection to an inquiry regarding cherries that we sent no agents there. France has done the same. Switzerland and Sweden have likewise shown opposition to our tariff agents making inquiries on the ground. This is one of the underlying causes for the failure of the Tariff Commission to conduct more hearings and to arrive at results in a briefer period of time. Take, for instance, the item of onions. We were more than two years in securing any report from the Tariff Commission, so that the entire onion market could very well have been completely changed by this delay.

Under the House bill the President is authorized to take into consideration (1) the cost of production, (2) the prices of domestic and foreign articles and the invoice prices of the costs of foreign articles, (3) other costs, (4) costs of transportation, and (5) advantages granted to a foreign producer. This is much broader in scope than the present law.

Owing to this unpleasant and natural situation whereby competitive countries do not want us to be prying into their home affairs, the work of the Tariff Commission has been more or less impracticable to carry out. Therefore, the House has asked that there be a much broader permission given as to the manner of procuring such information, and we recommend that most highly.

It has always been the theory of the flexible tariff provision that the power to increase or decrease a rate by not more than 50 per cent did not constitute a delegation of authority from Congress to an administrative body. The Senate provision, however, would permit the exchange of articles between the free list and the dutiable list. In other words, an article could



be taken from the free list and put on the dutiable list, or vice versa, without congressional action. Arithmetic alone shows that that would constitute a delegation of power to change a rate more than 50 per cent to the Tariff Commission or to the President acting under its advice. The Senate provision, therefore, goes beyond any intent that Congress has ever shown in the delegation of authority.

This has never been a method of which we approve. Although I am not a lawyer and am naturally unable to express a legal opinion, it does not seem to me that a privilege like that would come within the scope designated by the Supreme Court as constitutional.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has expired.

Mr. TREADWAY. May I have five minutes more?

Mr. HAWLEY. I yield to the gentleman two minutes.

Mr. MOORE of Virginia. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. MOORE of Virginia. Under the Senate provision Congress alone may determine whether or not an article may be shifted from the dutiable list to the free list?

Mr. TREADWAY. The most serious defect of the Senate bill is the nature of the language which would require the Tariff Commission to report to the President and to the Congress. There may be no serious objection to having the President transmit the report of the Tariff Commission to Congress, but to require action on the part of Congress in order to make the recommendations of the commission effective would be a complete overthrow of the purposes of the flexible provision.

In other words, the entire purpose of the Senate amendment is to take from the hands of the President any authority whatsoever other than a recommendation, simply making him a rubber stamp or a transmitting agency to act as the intermediary between the commission and Congress.

The second paragraph of section 336 (a) of the bill as passed by the Senate reads as follows:

The President, upon receipt of any such report of the commission, shall promptly transmit the report to the Congress with his recommendations, if any, with respect to the increase or decrease in duty proposed by the commission.

We need no better illustration of the fallacy of such a provision as this than the history of the bill we are to-day considering. The Ways and Means Committee started work on this measure in November, 1928. It passed the House on May 28, 1929. It passed the Senate on March 24, 1930. Since March 24 it has been in conference. It is now being taken up for consideration in the House, and after a few days here in this branch it may be interminably discussed in the Senate.

We are frequently asked when, if ever, this bill will become a law. Perhaps you can read the answer in the stars or consult a soothsayer. Certainly no Member of Congress can prophesy with any degree of accuracy when this conference report will be disposed of in the Senate. Items then remaining in disagreement will be again considered in conference and more time will be consumed.

The business of the country has been in an uncertain and chaotic condition for nearly two years while this bill has been in the making. Anyone wanting a duplication of such a condition as that should vote for the Senate provision and take from the hands of the President his authority to proclaim, after due consideration, his approval or disapproval of the findings of the Tariff Commission on an application for a change in some rate.

I know our Democratic friends will represent, as they have done in the past, that under the flexible provision we are abrogating the rights of Congress to write tariff rates. This is absolutely incorrect and incapable of proof. Whether a Republican or a Democrat holds the exalted position of President of the United States, he is chosen for that position by the will of the majority of the people, and the confidence of the country must be reposed in his judgment. To ask him to become simply a transmitting agency to the House of Representatives of the action of the Tariff Commission is a denial of the confidence of the people in his judgment and capacity.

The great clamor has been to get the tariff out of politics and to place it on a scientific basis. The flexible-tariff provision is one of the principal instrumentalities toward that end. The House bill contains a provision for a more practical use of the authority vested in the Tariff Commission to make investigations into the cost of production and comparisons of costs of competitive articles. So far, so good. If by the next step we deprive the President of the exercise of his authority under the present law and under the House provision by substituting the Senate idea of a report to Congress, we will more than nullify the merit of the changes the House has suggested in methods of

securing comparative prices. Instead of taking the tariff out of politics, the Senate provision puts it into politics 12 months in a year. Just as rapidly as the commission could make a report and the President transmit the same to Congress, just so fast would the merits of the item be discussed by one or the other of the two branches.

I do not agree with the able speaker who some time ago offered a compromise between the two positions and suggested that after 60 days, I believe it was, rates should become effective if not acted upon by Congress, or that if Congress was not in session that the rates should become effective upon proclamation by the President. It seems to me there can be no compromise between the two ideas of trusting the President or making him a rubber stamp and transmittal officer. I am strongly for the House provision, and I think every Member of this House anxious to see a scientifically arranged tariff without political bias or influence will agree with me that the House provision is practical, workable, and sensible.

The definite and positive result of the proposal to submit the findings of the Tariff Commission to Congress is equivalent to stating that Congress believes in a continuous tariff debate and has no interest whatever in scientific correction of inequalities in particular rates which have been ascertained by a fact-finding and quasi judicial body. Such inequalities are bound to arise between the periods of tariff revisions. The lesson of the present tariff revision will long be remembered. If each tariff revision is to consume a year and a half in accomplishment with resulting business turmoil and uncertainty, the fewer complete revisions we have the better for the country. We, therefore, must have a system of interim modification of particular items in order either to correct inequalities or to care for new conditions which arise in the business world from time to time due to inventive genius and new discoveries. On this point, Vice Chairman Dennis, a Democratic member of the Tariff Commission, stated in the hearings before the Senate investigating committee as follows:

The suggestion has been made that the commission should report to Congress rather than to the President. That emasculates the entire act. The commission reported to Congress before the flexible tariff was ever set up. What does the report to Congress mean? It means either that the report is going to be pigeonholed or that it is going to be taken up in a serious way in a session of Congress, but the moment Congress takes up a change in a particular duty affecting a particular item, don't you suppose there will be clamors and demands for a hundred other cases? Don't you suppose there will be speeches to be made on the tariff by hundreds of Members of Congress who have ideas on the tariff which they wish to express in behalf of their constituents? I can not see anything in that.

Another result would be that every time a Member of Congress was appealed to by constituents for a change in rates to care for a particular commodity or to protect some special industry, speeches galore would be made and such pressure brought to bear upon the Tariff Commission that it would be obliged to make hasty and immature findings, very likely unfair to the industry as a whole, in order that one Member of Congress might become more popular with a particular group of constituents. This would mean a nearly constant general revision with continuous business uncertainty. In order to correct one so-called error Congress would consider it had a right to open an entire schedule or the entire law to revision when the item in question was brought up.

Another disadvantage is this: We recognize that a tariff bill when written by Congress itself can not be based upon either quasi-judicial decisions or scientific investigations. Hundreds of items in the present bill represent compromises between extreme views. This is done first in committee, later in the two Houses, and finally in conference. Note the differences between rates contained in the present conference report and those approved by the Tariff Commission and proclaimed by the President. I attach hereto a statement showing these differences.

Take, for instance, mill feeds. The rate in the present law is 15 per cent; proclaimed by the President, 7½ per cent; reported by the conference committee, 10 per cent.

Under the present law butter carries a rate of 8 cents; under presidential proclamation it was increased to 12 cents, and the conference committee has recommended 14 cents. And so on.

In other words, the scientific findings of the Tariff Commission, combined with the President's judgment, as embodied in a proclamation, can equalize these differences and make the rates harmonious in accordance with the latest information obtainable as to values and foreign costs.

There has been criticism of the Tariff Commission, and there have been frequent statements to the effect that the commission has not lived up to the expectations of its sponsors. This can be said of any governmental body. The Interstate Commerce

Commission struggled for years to establish the confidence of the people in it. The Federal Trade Commission has not entirely reached that stage. There have been unfortunate features in connection with the Tariff Commission, but if its functions and its findings do not meet with the approval of the people let us manfully say so and wipe it off the statute books entirely, but not try to destroy its value by indirect methods. I doubt if there is a Member of Congress, who has had experience with the Tariff Commission and its experts even in a small degree as compared to the experience of members of the Ways and Means Committee, who would ask to have the commission abolished. In the Senate amendment, however, you are striking below the belt and destroying its usefulness, so far as the making of tariff rates is concerned.

It is much more logical and proper to correct defects by improved methods than to completely destroy the entire structure. Such destruction is the purpose and intent and will be the result of the Senate provision if adopted. There have been two attacks upon this provision on the floor of the House. It would be very unbecoming and impossible for me to debate the Constitution with the eminent authority on the subject from Pennsylvania, but in spite of the argument he so plausibly put before the House, the fact remains that the highest judicial authority in this land, the Supreme Court of the United States, whose opinions still govern this country, has held the flexible provision to be constitutional, and so far as I am concerned that ends the argument.

A just criticism was brought forward at one time by our esteemed colleague the gentleman from Georgia [Mr. CRISP] regarding the nature of the decisions of the commission.

The flexible provision has been approved by the American Farm Bureau Federation, by the American Federation of Labor, by the United States Chamber of Commerce, by the International Association of Manufacturers, by business people throughout the country, and by public sentiment generally. So we to-day representing those people are called upon not to destroy by indirection the functions of the commission, but where we have found inconsistencies or irregularities in the law to make such changes as will both liberalize the provision, make it more workable, more practical in operation, and, above all things, to so add to its value in the minds of the American people and so increase their confidence in its decisions that another tariff revision need not occur during the lifetime of any of those now participating in the present revision. [Applause.]

Mr. RAGON. Mr. Speaker, I yield to myself 30 minutes.

The SPEAKER pro tempore. The gentleman from Arkansas is recognized for 30 minutes.

Mr. RAGON. Mr. Speaker and Members of the House, I think in all the deliberations that we have had with reference to the tariff we at this very moment come to the most important feature of the entire bill. I think it is the one feature that we can get together on without any display or show of partisanship whatever, because personalities should not and do not enter into this debate. The question as to who is the President now or who will be 10 years from now should not enter into it. It brings itself down to the question of policy, and I do not think I can find a better text than was given to me a while ago by our distinguished leader from Connecticut, in answer to a question from the gentleman from Virginia [Mr. MONTAGUE]. Mr. MONTAGUE asked:

Does the gentleman mean to infer from this statement that the President would veto this bill if this provision is inserted?

Referring to the debenture provision.

Mr. TILSON. I can not imagine any other thing.

Mr. MONTAGUE. Does this or does it not give him the right to veto the plan or put it in operation if he sees fit?

Mr. TILSON. As he says, as soon as the power is given to the board the pressure would begin, especially from the dealers and others. \* \* \* The pressure would go on, and instead of solving the situation, we would simply have to begin again.

That presents the strange anomaly of being in one instance fearful of giving the Farm Board the optional use of the debenture for the benefit of the American farmer, and then in the next breath giving the President the discretionary power to increase the rates on all articles 50 per cent.

Now, my friends, we need not fool ourselves. On most of these agricultural products, as you know, and as I know, the tariff will be ineffective.

There are a few upon which it may be effective. But the benefit given to the farmers of this country under this bill will be more than taken away by the overhead that you give them in the increase that will go in effect upon the industrial rates.

So to-day we find ourselves in the position of denying to the American farmers the benefits of the President's optional use of

the debenture, and then turning around and giving the President the power for his optional use of the flexible clause, that will increase the rates upon the manufacturing industries of this country 50 per cent, and every cent of it will be effective.

There is more than merely a tariff rate involved in this present amendment.

Mr. CRISP. Will the gentleman yield?

Mr. RAGON. I yield.

Mr. CRISP. Does not giving the President the power to raise or lower the tariff bring upon him the pressure from industry to have it increased, equal with the pressure that would be brought to put the debenture into effect?

Mr. RAGON. Absolutely. And as a glowing example of that, let us refer to pig iron. As I will show you later on, one of the big voices of the Senate, when the question of the flexible clause was being debated, answered Senator Underwood and said there would never be any consideration given to any increase on pig iron; and yet only two years ago, as I recall it, the President of the United States, under pressure brought to bear upon him, gave to the pig-iron industry a 50 per cent increase. So, if we are going to take into consideration in defeating the debenture the question of the pressure that will be brought to bear upon the Federal Farm Board and upon the President, let us treat them all alike and take into consideration the pressure that will be brought to bear upon the President of the United States and the Tariff Commission in giving higher rates under the flexible clause. My friends, as old as the Anglo-Saxon government is the history of taxation being placed in the representative branches of the government. I can not recall that, from the earliest dawn of Anglo-Saxon governments, there is a single exception to the history that taxation in every instance has been placed in the legislative branch of those governments. There is some good reason for that. Taxes are onerous; they are hurtful; they are painful. There is not a taxpayer anywhere who takes delight in paying taxes.

So it was the natural scheme of things in the governments set up by the Anglo-Saxon people for the people to retain, as much as possible, in their direct control the power of taxation. When the framers of the Constitution got together they had the history of the Anglo-Saxon science of government in mind. Not only that, they had just come out of the Revolutionary War, where this principle had been fought out. The Revolutionary War was fought upon the proposition that we would not stand for taxation without representation in the English Parliament. It was not the size of the tax; it was not particularly the method of collecting the tax, but the big fact was the proposition of taxation without consent or without representation upon the part of the taxpayer.

So the American people to-day, as a result of the inclusion in our Constitution of that power of taxation placed in the Congress of the United States, look to you and to me as Members of this House of Representatives as an expression of their direct views upon any manner or kind of taxation. As a result of these conditions and as a result of their knowledge of Anglo-Saxon history the fathers said that Congress should alone have the power to levy taxes, impose duties and excises. Then they went further and said that in the House of Representatives alone would be lodged the power of raising revenue for this Government.

What are we called upon to do to-day? We are called upon to make the boldest stroke in a quarter of a century; to surrender that prerogative of the congressional branch of this great Government. I say "the boldest" and I said it advisedly. When the Fordney-McCumber Tariff Act was passed and this flexible clause was written into it, we thought that was a bold stroke. When you analyze the clause that is put into this present bill, which was incubated down in the Tariff Commission, you have the broadest and boldest stroke to take away the prerogative of this House of Congress that was ever written in the statutes since the reconstruction period. [Applause.]

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. RAGON. I yield.

Mr. MOORE of Virginia. It is an historical fact that when the Fordney-McCumber law was enacted it was asserted on both sides of the Capitol by responsible leaders that the flexible provision was intended only as an emergency provision, to take care of conditions consequent on the war, and that there was no intention of making it permanent.

Mr. RAGON. The gentleman is correct. I want to say, my friends, that we of the House of Representatives, in the light of these historical facts, are in the position of inviting an invader into our ranks and receiving him with a warm heart and hospitable hand, to take away some of the prerogatives that were placed exclusively in Congress and made directly the responsibility of Members of this House. Are we going to



shoulder that responsibility like men or will we evade it? That is the question. I address it to both sides of the House.

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. RAGON. I yield.

Mr. O'CONNOR of New York. Was the constitutionality of the flexible provision ever tested out?

Mr. RAGON. Yes; and it was sustained. That matter will be discussed later by another speaker.

Mr. STRONG of Kansas. Will the gentleman yield?

Mr. RAGON. I yield.

Mr. STRONG of Kansas. Then it is constitutional?

Mr. RAGON. Unquestionably; and I will be frank with the gentleman from Kansas, I am afraid it will be held that this law is constitutional also. So there is every reason why the gentleman should be careful with his vote.

Now, I come to the question raised by the gentleman from Virginia [Mr. Moore]. You will remember the conditions that fell upon this country and other countries of the world succeeding the World War. The economic conditions, the peril that labor was put into, the condition of manufacturers, and all of those things fell upon the Congress of the United States, and Congress took cognizance of those things. What did the Congress do?

It was with fear and trembling that the Senate, the House, and the President of the United States entered upon that scheme. As suggested a moment ago, it was simply to meet an emergency, and I say this—and the records will bear me out—that the flexible clause was included in the Fordney-McCumber tariff bill upon the solemn promise that it would be temporary and upon the solemn promise that it would be used for no other purpose than to trim down the rates which were written into the Fordney-McCumber tariff bill. [Applause.]

Am I right? Did these conditions exist? Was this what prompted the United States Senate and the lower House to adopt this clause?

Let us look at the expressions of the leaders of that day. President Harding, in a letter addressed to Senator McCumber, the Senate author of this clause, said:

It has seemed to me that the varying conditions in the world and the unusual conditions following the World War make it extremely essential that we have this means—

That is, the flexible tariff clause—

of adapting our tariffs to meet the new conditions.

Now, Senator McCumber, in enlarging upon that letter, said, in the RECORD of August 10, 1922—and I invite your careful attention to this as a historical background for the flexible tariff clause:

I agree with the Senator entirely—

Referring to Senator Underwood—

that the policy of levying tariffs and the rates on each particular matter is a policy that should always be left to the good judgment of Congress, and we can lay down no general rule under which it would be safe to place the tariff rate-making power in a commission. But the exigencies of the chaotic condition that now confronts us in the commercial world are the only justification for the added power that is to be given the President, and I want to take it away just as soon as those exigencies no longer exist.

Who is that speaking? The one who gave utterance to that is the author of the present tariff law. He is the author of the present flexible clause in the tariff law, and he was the man who had charge of the bill upon the floor of the United States Senate. He tells you unequivocally that when the conditions justifying its existence cease then he is for taking that power away from the President. Mr. McCumber further said on May 8:

If we had normal conditions to-day, I would be absolutely opposed to this provision in our tariff bill. I think we need a new tariff law, but, as I stated in the beginning of the debate, the present is probably the worst time in the history of the country to fix the duty upon any one article because of fluctuating prices, due to abnormal conditions throughout the world.

Well, let us go to even a still greater authority—the gentleman who at present is the head of the Finance Committee of the United States Senate, the distinguished senior Senator from Utah [Mr. Smoot]. What does he have to say about the flexible clause in the debate? He says:

If we want those few industries—and they are very few—to cease to exist in the United States, then well and good; do not put this provision in the law, although I think it ought to be there, because of the unsettled conditions of the world, authorizing the President of the United States to decrease some of the rates which we know are neces-

sary to-day, but which, when things get back to normal, perhaps may not be necessary.

That was the plea Senator Smoot made for the inclusion of the flexible clause in the tariff law. He says further:

The only difference is that the rates themselves provide that, and the President never will be called upon to exercise this power in regard to pig iron.

But, gentlemen, the highest and most effective increase that has been made by the President in the last seven years was the 50 per cent increase made on pig iron.

Mr. FORT. Will the gentleman yield?

Mr. RAGON. With pleasure.

Mr. FORT. Was that any more effective than the increase given on butter and cream?

Mr. RAGON. I can not say. I do not know, but I would say that any increase made on butter and cream would amount to a child's toy compared with the colossal sum given to the pig-iron industry of this country in this 50 per cent increase.

Mr. FORT. I think if the gentleman will examine the figures he will find that the value to the butter and cream industry is far in excess of the value to the pig iron.

Mr. RAGON. The gentleman can not tell me a thing about butter and cream, because I happen to come from a butter and cream country.

Mr. FORT. I am talking about the statistics involved.

Mr. RAGON. And I happen to know something about the effectiveness of the tariff on those articles.

Mr. BRAND of Ohio. Will the gentleman yield?

Mr. RAGON. Yes.

Mr. BRAND of Ohio. I will say that there is no benefit whatever to butter by the tariff now.

Mr. RAGON. I do not think there is one single penny of benefit.

Mr. BRAND of Ohio. The gentleman is correct.

Mr. WINGO. Will the gentleman yield?

Mr. RAGON. Yes.

Mr. WINGO. The significant thing about Senator Smoot's plea at that time was that abnormal conditions required rates higher than he said would be necessary when normal conditions were restored, and that they needed this flexible provision for the purpose of decreasing the rates when normal conditions returned.

Mr. RAGON. That is exactly it. Senator Smoot and Senator McCumber, each of them a leader in this debate upon the flexible tariff, said in substance what the gentleman has just repeated, that on account of the abnormal times we had, it was necessary to put in an arbitrary rate, and in order to give the Tariff Commission, with the President, the power to reduce these rates to a reasonable amount, the flexible provision was written in that tariff bill.

All right; let us see what has been done. Senator BORAH last September made a speech in the Senate in which he said that he was an opponent of the flexible clause in 1922. He said also that at that time it was the consensus of opinion of every man in the Senate that the only reason the flexible clause was put in the bill was for the purpose of reducing and trimming down the rates at that time. This is the testimony. How effective has it been?

My friends, admittedly, these were the most abnormal times in the history of this country from an economic standpoint. Rates were put in here that were "horse high, hog tight, and bull strong," and yet on all these innumerable rates we have had the pitiful reduction by the Tariff Commission and the President of only five rates. Upon the other hand, the flexible clause has been used as an instrumentality to increase rates and the increases have amounted in number to somewhere between 30 and 35.

This is the history of your flexible clause to-day, put in there as a temporary factor, and now we are called upon by the Tariff Commission—this is the real truth of the matter—to broaden even the power that was given to the President under the act of 1922.

Mr. CRISP. Will the gentleman yield?

Mr. RAGON. Yes.

Mr. CRISP. Is it not a fact that of those decreases one was on the importation of quail from Mexico, another on wheat chaff, and a third on paint-brush handles, which was reduced to 16½ per cent, and in this tariff bill, notwithstanding that action, is again increased to 33⅓ per cent. I am not familiar with the other two decreases the gentleman has referred to.

Mr. RAGON. There are two others. I do not recall them now; but that is correct, and here we are in this anomalous position. I know it was like swallowing sulphur for some of

you to vote upon the question of cement. I know that some of the men on the Democratic side had great difficulty in swallowing the cement item. What are you going to do in regard to your vote on the flexible clause if you objected to the rate on cement?

You are voting to give the President of the United States and his Tariff Commission, appointed by him with power of removal, the additional authority of increasing the rate 50 per cent on cement.

There are many of you who manifested yesterday your intention to vote against a tariff of any kind on lumber, and yet you are sitting here to-day fixing to put authority in the hands of the President of the United States and his Tariff Commission to increase the rate on lumber 50 per cent.

Many of you objected to the increases upon sugar that has to do with every household in America and every family dining table, and many of you reluctantly gave your assistance to that schedule, and yet to-day you are fixing to blindly walk in and authorize the President of the United States, without any say so upon your part, to increase that to the still greater amount of 50 per cent.

Let us now look into the different provisions and compare the House and Senate amendments. I have heard a great deal said by some of the gentlemen about the Senate amendment, and I think I have studied as closely as I could the different amendments that have been suggested—the Davenport amendment, the pending House amendment, and the Senate amendment. Let us look at them.

The pending House amendment in its authorizing section does not mention a single, solitary soul save and except the President of the United States. Some one has said that he is to make this investigation through the Tariff Commission. The amendment does not say so, although it has been the custom to use the commission. There is no change in this respect from the present law.

All right, who may instigate this investigation under the present law and also under this amendment? The President of the United States. What, do you tell me that the Tariff Commission can not instigate it? I tell you that under the pending House bill the President of the United States is the only one who has any voice whatever in the instigation of an investigation with reference to the rates upon any particular item.

Well, what is the difference between that and the Senate amendment? I would say to my friends on both sides of this House, I think the men in the other body are just as patriotic as we are. We will admit that many of them are just as wise as we are. I think they are impelled by the same disposition to fairly represent their constituencies as we are, and there must have been some good reason for them to inject this amendment into this bill.

How do you instigate an investigation under the Senate amendment? It can either be done by the Tariff Commission or it can be done by an interested party in bringing about an investigation as to whether any rate should be increased or decreased.

Let us pass on to the field of jurisdiction. What does the present law proclaim? I call your attention to this because it was put there to protect you and me as Representatives of the American people. It brings down the jurisdiction, in a small circle, for the President and the Tariff Commission to operate in arriving at a proper rate—a small circle “as to the difference in cost of production” here and abroad. In other words, the “difference in cost of production” between a foreign article and a domestic article. That is the yardstick laid down there. That is the present law.

What is the yardstick pending here? I say here again that this thing had its birth not in the Ways and Means Committee but this entire proposal had its birth in the Tariff Commission, it did not have even the blessing of the White House. They ask you to adopt a yardstick, not “the difference in the cost of production” here and abroad but the difference in “conditions of competition” here and abroad.

Well, that is a big thing. I am not going to undertake, and neither will the gentlemen on the other side, undertake to define what that really means. They have stated in the House bill that four factors might be taken into consideration in arriving at this “difference in condition of competition.” They do not say how many more but they do say that the President, if he finds it practical, may use these four. Anyone who has had any experience in the construction of legal phrases will say that these four factors are not exclusive but the President may go beyond these in determining what the conditions of competition are.

The danger of this bill is right there and nowhere else. You are absolutely surrendering the prerogatives of this House, and

this Congress, in a way that it was never surrendered before, to the executive branch of this Government.

Now, are you ready to say that you will surrender the voice of your people in saying what onerous taxes shall be put upon them? Are you prepared to say that you are ready to surrender up the voice of your people for any tax that is beneficial to them? That is the question involved in this. It is nonpartisan, it is simply a question of adhering to a policy of Government that has prevailed with success for 150 years—and we are called upon this evening to absolutely renounce that policy.

Mr. DENISON. Will the gentleman yield?

Mr. RAGON. I will yield.

Mr. DENISON. As I understand the parliamentary situation, the vote will be to send this back to the conferees. There are many in the House who do not approve of the principles the gentleman is talking about, but we want to get the question back into conference.

Mr. RAGON. I am happy to get the gentleman's statement. That represents three-fourths of the common sense and good judgment of this House.

The SPEAKER pro tempore. The gentleman has consumed 30 minutes.

Mr. RAGON. Mr. Speaker, I will take 10 minutes more.

You do not know what the conferees will do. I can only lift my feeble voice against what we have in this House bill. If the conferees can go on with a combination of the Davenport bill and the Senate amendment and incorporate the best features of each into the House bill, that is a different question entirely.

Mr. DENISON. I think the vote will be that we further insist on our disagreement to the Senate amendment on the flexible tariff, and then that will leave the whole matter open for the conference.

Mr. RAGON. Of course, I can not say what the motion will be. So, you see that in this new bill the crux of the whole situation is this extended power, this expanded power that is given to the President and to the Tariff Commission under the terms of this new provision.

Mr. LEA. Mr. Speaker, will the gentleman yield?

Mr. RAGON. Yes; with pleasure.

Mr. LEA. Does the gentleman not think it is a menace to the political welfare of the United States that such power should be concentrated in any one man, a man who holds a political office, and who may seek further promotion in a political way, to have control of tariff rates of the great industries of the country? To have that is to be able to compel those industries to be subservient to him or to comply with his purposes and to face either reward or punishment.

Mr. RAGON. There is no question about that. It was never intended in framing the Constitution of this country that we should make surrender of the powers of Congress to the President of the United States, because the fathers saw the dangers of this very thing. I can not agree to certain parts of the Davenport amendment, although I think it would be an improvement over what we have in the House bill. I can not agree that it was in the thought of the fathers that the President should instigate an investigation before the Tariff Commission and then bring it back to the President, and that the President should make a proclamation of an increase of rates, and then send it over to the House and give the House the power, if it wanted to, by concurrent resolution to either annul or ratify the proclamation of the President. It seems to me that that is contrary to the institutions of our Government. We say that we are giving this in an emergency. If there is an emergency which justifies a 50 per cent increase, why should not we just as well recognize an emergency which grants 100 per cent increase? If there is such an emergency as to recognize the power of the President to grant an increase, why should not we just as sensibly give the President the power to take from the free list or to put on the free list, independent of Congress?

As suggested by the gentleman from Georgia some months ago, if you give the President of the United States this power, then let us give him the power through the Internal Revenue Bureau to increase the rates of the income tax of this country. If you are not satisfied with that, then let us go a step further and set up a bureau of Army officers, and let the President of the United States increase or decrease the size of our Army or Navy. Let us go the whole limit. If there is sense in one of these things, there is sense in another. It is impossible in good conscience to sustain the flexible clause. It is undemocratic; it was never written into the Constitution that such a policy should exist, and I say that regardless of the fact that the Supreme Court has passed on the constitutionality of the 1922 act. If the present members of the Supreme Court were sitting where we are to-day, they would not by their vote say such a thing.



I think the Senate amendment is infinitely better than the pending amendment or the present law. For instance, under the Senate amendment the Tariff Commission would make an investigation and they would report back to the President and to the Senate, and they would have the authority to recommend the taking from the free list or putting on the free list of any article. Then when that recommendation was brought into the Senate or the House, it would not be subject to any amendment, except through germaneness of the particular article. If the recommendation of the Tariff Commission were brought in here for consideration, under the Senate amendment you could not attach to it a single other article. I am not well enough versed in parliamentary rules to know whether it could not be done at present under House rules, but the Senate has provided that it could not. When the Tariff Commission has made a report to the House and to the President, and the President has transmitted that report to the Senate and to the House, he can either recommend or fail to recommend the adoption of that recommendation. Then, what do you have? We pass on it in the parliamentary procedure that I have just related. So I think that in view of giving the President this authority to increase or decrease by 50 per cent without your consent, without your vote, without any consideration of what the attitude of the House is, that any level-headed man could not fail to select the Senate amendment in preference to the House amendment. Some one has said that deliberations in the House and the Senate are rather cumbersome. That was the mountain my friend RAMSEYER wanted us to climb. That is ridiculous, when you reduce the matter to facts.

You have seen bills pass through this House appropriating millions and millions of dollars, as in the case of the bonus, in 40 minutes' debate and one roll call. You have seen appropriation bills pass the Senate almost in the snap of your finger. When this House and the Senate make up their minds to do something you know how quickly they can do it.

Is this rambling talk or is it correct? Let us look at the record. In 1911 a tariff bill providing a free list passed both Houses and was vetoed in four months and seven days. In 1911 a tariff bill on wool was introduced and passed both Houses and was vetoed by the President during the period of 75 days. In 1911 a tariff bill on cotton was introduced, passed both Houses, and was vetoed by the President in the short time of 26 days. In 1920, and that is within the memory of most of you, we had the agricultural emergency bill.

That bill was introduced and passed both Houses and was vetoed by the President in 71 days. In 1921 the emergency tariff bill was introduced. I do not know exactly, but it incorporated, as I recall, something like 28 or 32 different articles. That bill, my friends, was introduced and passed both Houses and was signed by the President of the United States within a month and 15 days, or in all 45 days.

Mr. CHINDBLOM. A similar bill a year before that was vetoed by President Wilson, was it not?

Mr. RAGON. I believe so. I have not examined that bill carefully, but I understand there were many controversial items in it.

Mr. CHINDBLOM. It was a good bill.

Mr. RAGON. Yes; but when the House and Senate get down to business they can do business, and they did it in both instances.

The result that I am afraid of this afternoon is that you will let the commission send back the reports of their investigations to the President to be acted upon by him without regard to any action by Congress. My suggestion is that you should adopt the Senate amendment and then amend the rules of the House and the Senate, if necessary, so as to pass upon these bills speedily; and let us have then in every 10 or 15 years a general tariff revision, if necessary. But remember this, that all the power unqualifiedly is placed by the Constitution in the House and Senate in levying tariff duties. Do not forget that. [Applause.]

Under the pending House amendment all emergency cases, I am not afraid to say, all the tariff legislation of the future, will be in the hands of the President of the United States, and the House will not have even a veto power, not even so much as the right of consideration. That is what you are confronted with.

My friends, I am going to submit this matter to you, and if it follows the course suggested by the gentleman from Illinois and is amended in conference so as to incorporate the principal parts of the Senate amendment, well and good. But by all means let us not bring this House or the Senate of the United States to the point of abjectly surrendering all the prerogatives of this Congress. [Applause.]

I have just shown here by irrefutable testimony that conditions after the war gave us the flexible provision. Do not let

us continue the mistake of extending this abdication of authority to the Chief Executive of the country.

Mr. CLARK of Maryland. Mr. Speaker, will the gentleman yield there?

Mr. RAGON. Yes.

Mr. CLARK of Maryland. The gentleman does not mean to take the position that the flexible provisions of this law waive or abdicate any constitutional power on the part of Congress? There is no delegation of that power.

Mr. RAGON. There is delegation of our authority, which was given to us exclusively, as I hold.

Mr. CLARK of Maryland. If there should be a delegation of legislative power, would the proposition have received the approval of the Supreme Court.

Mr. RAGON. I do not think that question should be brought up now, because it has been covered by able men in both bodies, particularly, I may say, by speeches by Mr. BECK, Mr. CRISP, and the Senator from Idaho, Senator BORAH. While we do not exactly dehorn ourselves, yet we abdicate our power and give it to the President.

The gentleman remembers the economic condition of 1922, and remembers the spiritual heights to which the nations of the earth ascended during the World War, to an extent never known before; and you also remember how the civilized forces of the world broke ranks, and they slipped from the sublime to the ridiculous, as is usual. They did not return to normalcy, but we retreated back to subnormalcy; they broke the pitchers of their golden hopes at the feet of the great god of mammon; they stopped talking in the high terms of humanity and flew into a mad scrimmage for the spoils of war. The Allies went first to picking the pockets of Germany, and next they fell to picking the pockets of each other.

So the economic conditions of Germany and the rest of Europe were demoralized to a worse extent than at any time heretofore in the history of mankind. The political and economic conditions of the world in such a turmoil may have justified the extremes to which Congress went in 1922 to protect American business and American labor, but with a rehabilitated Europe and a rehabilitated American industry, then why continue, with the emergency gone, this arbitrary power in the Executive's hand. I know you do not want that to continue. [Applause.]

As this vote will come on I hope you will see the light, and if my motion does not prevail, then I hope the compromise attitude of the gentleman from Illinois [Mr. DENISON] will be successful when we get the bill back in conference.

Mr. LEA. Mr. Speaker, will the gentleman yield?

Mr. RAGON. Yes.

Mr. LEA. Was it not held under a recent decision of the Supreme Court that in the flexible provision of the tariff the President was created an agency of Congress? The President has no function whatever in doing such a thing as fixing a tariff rate. It can only be done through making him the agent of Congress.

Mr. RAGON. That is the theory of the constitutionality of it, as entertained by the Supreme Court. [Applause.]

Mr. HAWLEY. Mr. Speaker, I yield 20 minutes to the gentleman from New York [Mr. DAVENPORT].

The SPEAKER pro tempore. The gentleman from New York is recognized for 20 minutes.

Mr. DAVENPORT. Mr. Speaker and Members of the House, I have a few comments to make, not a speech.

I think there is no question that in the matter of this flexible provision we are at the heart of the tariff controversy. When you consider what we have been through for the last year and a half, anything that will lengthen the period between general tariff revisions will be a matter of great comfort to Congress and to the country, and particularly to the business of the country. This is the time to consider what we are to do in the future. I think that as far as possible consideration of this provision should be without partisanship. Even if I felt as strongly, and perhaps I do, and were as jealous of the power of Congress as the gentleman from Arkansas [Mr. RAGON] who has just spoken, and perhaps I am, I do not see how any man in this House can vote intelligently for the Senate proposal. It seems to me in its present form to be arrayed in the garb of freedom and progress, and yet to be thoroughly reactionary and backward looking as compared with the House provision.

You understand the history of the flexible provision of tariff making with the aid of a commission. At first the commission simply reported findings of fact. It was a fact-finding body and nothing else. Then in 1922 we introduced the executive into the administrative process. When we did that we did it advisedly, and we did it for a very practical and necessary reason. As some Members of the House know, in line with the belief that Congress should have final control of tariff making, and especially if we were to give extended and adequate authority

to the executive Tariff Commission, I believe it may be necessary to employ the veto power of Congress in the whole process; but whether you employ that veto power or not, the Executive has an important function in the interim between general revisions.

For example, it may be that at the time a matter is being considered which involves a tariff relation with some other country, a trade negotiation agreement may be under consideration, a treaty may be under consideration, and the actual putting into effect of the findings of the Tariff Commission at the moment might be contrary to the general welfare. The President of the United States is closely related to the diplomatic and international relations of the country, and he is the natural person to say whether the findings of the moment should be put into operation or not.

It is so with our domestic tariff relations. When the halibut case was before the Tariff Commission some years ago, the commission found that 85 per cent of the catch was on the Pacific coast, where there were no important differences in cost of production between Canada and this country, but that 15 per cent was on the Atlantic coast, where there were considerable differences in the cost of production, and the mathematical findings indicated a lower duty on halibut. Who had the discretion to say whether that rate should be put into operation; whether a body of men in this country like the Gloucester fishermen should be injured or not? Questions like that come up frequently, and the question of sensible human discretion enters into the whole problem.

Not only that, but there are items connected with agriculture which are peculiar. The commission must work at agricultural rates over a series of years to provide against seasonal variations in its findings. It may be that when you get to the time to lay the rate it is perfectly clear that the rates should be lower than long-drawn-out investigation would warrant. It should be some other rate than the one actually, mathematically arrived at by the commission. Who is to decide? Who is to have the authority under the law to decide whether there shall be a somewhat lower rate than the investigation indicates?

Then there are questions relating to the matter of majority and minority opinions. The Tariff Commission has minority opinions and majority opinions, like the Supreme Court of the United States. It has happened, and it must happen. Somebody, like the President, should have authority under the law to determine whether the findings of the minority are not, perhaps, sounder on the whole for the country than the findings of the majority. In fact, on one occasion the President of the United States followed the findings of one man on the commission, and he was probably right, because the Congress of the United States has backed him up at this time of general revision.

Mr. DENISON. Will the gentleman yield?

Mr. DAVENPORT. I yield.

Mr. DENISON. The gentleman has discussed the question of discretion, but his discussion so far has had reference to when the new rate shall or shall not be put into effect. The gentleman does not carry that principle far enough to authorize the President to use his discretion in fixing rates, does he?

Mr. DAVENPORT. I carry it so far as to say that the President should be given authority, as he is in the present law, to disregard the findings of the commission and make his own investigation and decision. That amounts to a very important and necessary discretion, and it is not the kind of a discretion that should all the time be put up to the Congress of the United States.

Mr. O'CONNOR of Louisiana. May I ask the gentleman if he remembers the case in which the President found that the findings of one man on the commission were correct?

Mr. DAVENPORT. The cotton hosiery or gloves case, one or the other.

Mr. CELLER. Will the gentleman yield?

Mr. DAVENPORT. I yield.

Mr. CELLER. If the President has a right to withhold the carrying into effect of an opinion or decision of the Tariff Commission, is not that vesting in the President some sort of discretion that would, in a sense, make him a legislating body, which is contrary to our Constitution?

Mr. DAVENPORT. In the law we have made the President a part of the administrative process just as we have made the Tariff Commission a part of the administrative process, and the President acts as a part of the administrative process.

Mr. CELLER. But I go a step farther and I say that if in acting as a part of the administrative processes the gentleman says the President has a right to withhold something, therefore you give him the right of discretion, the right of choice, and if you give him the right of choice, then the conclusion, to my mind, is inescapable that he is legislating.

Mr. DAVENPORT. I would not say he is legislating at all if he withheld something, because he has not changed any law, has he?

Mr. CHINDBLOM. And he is always acting upon facts that are brought before him.

Mr. DAVENPORT. Yes.

Mr. CELLER. But if a man withholds and he says that something should not happen he thwarts, to that extent, the decision of the Tariff Commission. In that sense I am sure he must be legislating.

Mr. DAVENPORT. No. The Tariff Commission is not legislating. He is not thwarting legislation when he thwarts the Tariff Commission for a moment.

Mr. CELLER. Let us take a concrete case. Let us take the case of sugar, where the President held up for one year a decision following a conclusion by the Tariff Commission. Then he said that—

In view of the fact that there was some necessity to give protection to the beet-sugar growers, I am not going to carry the mandate or carry the conclusions of the Tariff Commission into effect.

When he said he was going to give protection to the beet-sugar growers, was he not, in a sense, legislating?

Mr. DAVENPORT. I am glad the gentleman used that illustration, because it enforces what I am contending for. What happened was that there was a tremendous slump in the price of sugar between the time when the findings of the commission were completed and the time when the rate was to be put into operation, and the President did exactly what should have been done under the circumstances.

Mr. CELLER. I might sympathize with the gentleman's point of view in the sense that the President may have been right in what he did, but, nevertheless, I say he was legislating when he did that.

Mr. DAVENPORT. No; he was not legislating. He was using authority conferred upon him in connection with something that the Tariff Commission, an inquiry body, had done, and it is important that he should have that power in connection with the problem.

Mr. RAMSEYER. Will the gentleman yield?

Mr. DAVENPORT. Yes.

Mr. RAMSEYER. Of course, under existing law the Tariff Commission does not decide rates. The power is in the President to raise and lower rates, but the President has not the right to exercise that power until the Tariff Commission investigates, makes a finding of fact and returns its finding of fact to the President. However, the President is not bound by that finding of fact. He can on his own initiative investigate and arrive at an entirely different conclusion from his own investigation than from the investigation made by the Tariff Commission. That is probably what the gentleman means by the President exercising discretion. We can not, of course, confer upon the President the power of discretion. We must give him a rule to follow, and he acts under that rule when he finds the facts to be along the line that Congress intended they should be.

Mr. DAVENPORT. All of which is permitted in the present law.

Mr. RAMSEYER. Yes; that is it.

Mr. DAVENPORT. Now, it seems to me that under the Senate proposal, about which we are talking to-day, all flexibility is destroyed; that you may have under the Senate proposal a steady stream of tariff business, without let or hindrance, clogging the course of legislation; that under the Senate proposal you may thresh over individual items weeks at a time or not take any action at all. As a result you will have decisions constantly confused and political.

Mr. RAGON. Will the gentleman yield?

Mr. DAVENPORT. Yes.

Mr. RAGON. If you were to take the harness which you use in your bill and put it on the Senate amendment, relating to the parliamentary procedure of the House, what would the gentleman think about it in that event?

Mr. DAVENPORT. I would be very glad if the representatives of the House and Senate, when we disagree—as I am sure we will—would take this bill into conference again, and consider the whole question in the light of the proposal I made a few weeks ago in the House.

Mr. RAGON. The Committee on Ways and Means and the Committee on Appropriations are frequently called in session in advance of the meeting of the Congress; the Committee on Ways and Means to consider tax reduction bills and the Committee on Appropriations to consider appropriation bills; so why could we not have an advance meeting of the Ways and Means Committee for the purpose of acting upon the different items that would come up from the Tariff Commission? Then



when Congress met all we would have to do would be to vote upon the action taken by the Ways and Means Committee.

Mr. DAVENPORT. We would under the pending Senate provision then have the mass action of 435 Members—such as we have had here for a year and a half—on everything that might come along.

Mr. RAGON. Not if you had the provision you make in your suggestion.

Mr. DAVENPORT. No; that is true. I would be very glad, of course, if the proposals I recently made were considered in conference; but I am busy now with this pending Senate proposal. In tariff making under the flexible provision time is of the very essence. We should not have long periods of discussion over individual items, as you could have, and probably would have, under the Senate proposal. The pace of modern business is too rapid for that. One year Germany sent into the United States only 48 gallons of wood alcohol. The next year she sent in 1,700,000 gallons. The synthetic process for making methanol or wood alcohol had been discovered. If the commission had not been in a position to act at once, and the President had not been in a position to act at once, the wood-alcohol industry of this country would have gone to pieces.

Mr. STAFFORD. Will the gentleman yield?

Mr. DAVENPORT. Yes.

Mr. STAFFORD. We all recognize that when this flexible provision was proposed in the last tariff act it was openly stated that it was an experiment. It originated in the Senate, I believe. Now, we have progressed for over 100 years under the old system without this proposal, and the country did not apparently suffer.

Mr. DAVENPORT. Suppose I just reply to that by saying something I was going to say a little later. In the past and in the old days to which, perhaps, the gentleman from Wisconsin may refer, the tariff problem was largely wool, sugar, clothing, steel rails, and tin plate. To-day the tariff problem is an aggregation of thousands of detailed items, many of which require careful adjustments of one rate with another in order not to disturb the whole structure.

The problems, except the major issues which must always be decided by Congress, should be approached by a limited body of unprejudiced investigators who go into the details of chemistry, as they must, of metallurgy, as they must, of animal industry, of textile design, and of ceramic engineering, with all the care of true scientific workmen.

This can not be done any longer by the Congress of the United States. It has to be done by technicians and experts. This is the reason we should not follow the old process.

Mr. STAFFORD. We followed the old procedure when the Speaker of this House led the fight for higher duties on the products of the chemical industry without having conferred such power upon the President.

Mr. DAVENPORT. I will say to the gentleman from Wisconsin that business and tariff making to protect certain kinds of business are growing constantly more complex. Whatever happened in 1922, the time has arrived when it can no longer be done in the old way, in view of the great complexity of the problem.

Mr. REED of New York. If the gentleman will permit a question right along that line, approximately how many items are there in the pending tariff bill?

Mr. DAVENPORT. Twenty-two thousand or twenty-three thousand, I believe.

Mr. HAWLEY. Twenty-five thousand, including all the items that are in the basket clause.

Mr. REED of New York. We could not hope to legislate on all those items individually.

Mr. DAVENPORT. It would be impossible.

Let me return to the matter of the Senate proposal, because I have a little time left. Suppose the House and the Senate differed in political complexion and yet you wanted to carry through important matters in connection with tariff revision. Suppose there is a split report from the Tariff Commission. If you present these matters constantly before Congress, as of right, regularly, in due form, as the Senate proposal does, you put the whole burden back upon the Congress of the United States.

Mr. STAFFORD. Will the gentleman yield for a further question?

Mr. DAVENPORT. Yes.

Mr. STAFFORD. Assume the converse, that there is in the Presidency a person who is in opposition to the views of the Congress. Do we not vest in the President then a very dangerous power to cut down the rates perhaps 50 per cent? Would this Congress be willing to yield that power to a President who was in opposition to the position of the Republicans who believe in a protective tariff?

Mr. KORELL. May I suggest to the gentleman that the President already has the power to veto the acts of the Congress?

Mr. DAVENPORT. Oh, yes; there is no doubt about that. [Applause.] Have I any more time to answer further the question of the gentleman from Wisconsin or to continue the discussion?

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. HAWLEY. Mr. Speaker, I yield five minutes to the gentleman from Illinois [Mr. CHINDBLOM].

Mr. CHINDBLOM. Mr. Speaker, the issue which we shall determine by our vote at the conclusion of this debate will be whether we shall accept the Senate amendment or send the Senate amendment, as well as the House provision, to a conference for further consideration there. If we accept the Senate amendment we have, of course, closed the matter, and we will then proceed hereafter in regard to future tariff revision in the manner provided in that amendment.

My good friend from Arkansas [Mr. RAGON] made considerable argument, as I understood him, out of the fact that the Senate amendment simplifies the procedure in both the House and the Senate; that when the commission makes a report and sends it to Congress, Congress shall then immediately proceed to consider the single item which is in that report; and the gentleman called attention to a paragraph in the Senate amendment which I shall read now:

Any bill having for its object the carrying out, in whole or in part, of the recommendations made by the commission in any such report shall not include any item not included in such report; and in the consideration of such bill, either in the House of Representatives or in the Senate, no amendment thereto shall be considered which is not germane to the items included in such report.

The Senate, realizing that sending such a report of the commission to the Congress, either to the House or to the Senate, might open up—and probably eventually would open up—the whole question of tariff revision, has sought in this paragraph to limit the consideration by the House or the Senate, and by both branches, to the matter contained in the commission's report.

Now is this possible? I say it is absolutely impossible. I say that that provision is a nullity. I say it is absolutely unconstitutional, but its constitutionality will probably never come before the Supreme Court, because the House and the Senate themselves will determine that issue as a matter of their own right.

The attempt is made here to determine rules of procedure for the House and the Senate. The Senate amendment provides that any bill that is intended to carry out the recommendations of the commission shall not include any item not included in the report. How can Congress limit a Member of Congress in the bill which he introduces in the House or in the Senate for consideration?

Then the amendment goes on and lays down rules for the action of both the House and the Senate in the consideration of the bill.

Now what does the Constitution say? The Constitution provides, in section 5 of Article I, that "each House may determine the rules of its proceedings." When the Constitution says "may" in this instance it means "shall"—that each House shall determine, that it has the power to determine.

The House determines its rules of procedure and the Senate determines its rules of procedure.

More than this, the Constitution says that legislation in the matter of raising revenue shall originate in the House of Representatives and not in the Senate, and further on it says, and I will read the whole of section 7, article 1:

All bills for raising revenue shall originate in the House of Representatives, but the Senate may propose or concur with amendments as on other bills.

The Constitution gives the Senate the right to concur with amendments, and yet the Senate, by its amendment to this bill, would try to curtail its own power in the matter of proposing amendments to a bill originating in the House.

The whole provision, if enacted into law, might be held to have the effect of a rule of each House during the current Congress, subject to change by each House at any time. It has been held in the House repeatedly that "the power of each House of Representatives to make its own rules may not be impaired or controlled by the rules of a preceding House" (Hinds' Precedents I, 187, 210; V, 6002, 6743-6747), "or by a law passed by a prior Congress (Hinds' Precedents I, 82, 245; IV, 3298, 3579; V, 6765, 6766; House Manual, 1920, p. 19).

I will say deliberately—and I do not think there can be any possibility of contradiction—that each House adopts its own

rules, and even if we adopt a law in which we try to regulate the rules and procedure in the House or the Senate, the House or the Senate alone can change it. Even if this law should be passed, we could the next day adopt a rule of this House which would violate that procedure, because the Constitution says that each House has the power to adopt its own rules.

We know how this thing came about. The Senate found itself in the predicament of having proposed an amendment in the matter of the flexible provision under which there was danger, apparent to everybody, that the whole question of tariff revision would arise every time the commission submitted a report to Congress. So they tried to close the door by such a provision as this. If we adopt the Senate amendment, we have adopted that procedure which is absolutely futile. [Applause.]

Mr. Speaker, let us vote to disagree to this Senate amendment and then send the matter to conference, in the hope that the present law, with the changes proposed in the House bill, may be retained, continuing the power of the President, after investigation by the Tariff Commission, to proclaim changes in the tariff rates, as he may find proper under the safeguards and limitations of the law, with the same salutary and beneficial effect which has attended the work, in this regard, of the Tariff Commission and the President since the enactment of the tariff act of 1922.

Mr. RAGON. Mr. Speaker, I yield two minutes to the gentleman from Georgia [Mr. CRISP].

Mr. CRISP. Mr. Speaker, when this tariff bill originally passed the House I spoke against the flexible provision. In my judgment it is an abject surrender of the functions of Congress to the Executive.

I am not going to attempt to reiterate what I then said, but I desire to call your attention to this one thing. Think of the potentialities for destroying popular government if any Executive has the right to make the tariff, and in my judgment, under the House provision, the President can make tariff laws.

I have the highest respect for President Hoover, but I would not vote to grant this power to any president, be he Democrat or Republican. [Applause.]

Just think, before election some manufacturers interested in a higher tariff might contribute \$10,000,000 or \$20,000,000 for political campaign purposes, if given tariff benefits. I do not think this power should be lodged with any President.

But I rose specifically to answer the question that the gentleman from Maryland [Mr. CLARK] propounded to the gentleman from Arkansas [Mr. RAGON], in which he stated that the Congress would have a veto over the act of the President. If you pass the House bill the Congress does surrender the power to the Executive, and the President could fix such rates as he pleased. If he raised a rate the only way it could be lowered would be by Congress passing an act. The President could veto it and it would require a two-thirds vote over his veto and it is the rarest thing in the world that a party has two-thirds to override a veto. [Applause.]

Mr. RAGON. Mr. Speaker, I yield 15 minutes to the gentleman from Virginia [Mr. MOORE].

Mr. MOORE of Virginia. Mr. Speaker, there are undoubtedly those who favor the transfer from Congress to the President of such authority as the House bill provides simply because of their opinion that it is the only means of escaping the evil which attaches to the usual process of framing tariff laws. While wholly disagreeing with that opinion I, of course, concede the existence of the evil which is largely due to the fact that at intervals more or less uncertain there is a wholesale revision of the law then in effect. That the practice is pernicious has long been proclaimed by outstanding leaders, and in reaching that conclusion they did not need to read books treating of the tariff or consult experts familiar with its technical details, or the representatives of business who take part in the struggles when the entire area is opened up for exploration and change. They only needed to apply common sense in the light of accumulated experience. On this point, numberless witnesses of the highest ability and patriotism might be called, but I ask you to listen to only two of them. Years ago Mr. Roosevelt had this to say:

It should surely not be necessary to dwell on the extreme unwisdom from a business standpoint or from the standpoint of national prosperity of violent and radical changes amounting to direct upsetting of tariff policies at intervals of every few years.

And again this:

The practice of undertaking general revision of all the schedules at one time and of seeking information as to conditions in the different industries already themselves directly benefited from the rates they enjoy has been demonstrated to be not only iniquitous but futile. It has afforded an opportunity for practically all of the abuses which have crept into our tariff making and our tariff administration. The day of the logrolling tariff must end.

That is the language of a leading Republican, who, however, nowhere indicated his belief that a remedy should be found by transferring authority to the President. In his campaign in 1928, Governor Smith, who had been watching from a distance the painful scenes now and then staged here, had this to say:

I state definitely that the Democratic Party, if intrusted with power, will be opposed to any general tariff bill. Personally, I regard general tariff legislation as productive of logrolling, business confusion, and uncertainty. I consider the method of general tariff revision to be inherently unsound.

That is the language of a leading Democrat, who nowhere indicated his belief that a remedy should be found by transferring authority to the President. Hardly anyone will dispute that logrolling is a pretty mild term to apply to the general revision which has been going on now for more than 12 months and is still in progress. We can imagine how vehemently it would be characterized by Mr. Roosevelt if he were living, how picturesquely he would employ his rich stock of adjectives and adverbs in describing some of the occurrences which have recently taken place.

During the last 12 months, the present wholesale revision, to a greater extent than any previous revision, has caused widespread resentment and condemnation, and we who bear the direct responsibility should be concerned to think it has lowered Congress in the estimation of the country and bred distrust of the legislative branch of the Government to carry on its work with the caution and wisdom attributed to it by the founders.

We are soon to vote on the question as to how a practice so confessedly bad as to find few defenders is to be superseded by some other policy. We are to vote on the question as to whether the House plan of vesting in the President very great authority to raise or lower duties and thus substantially affect the revenue of the Government shall be approved, or on the other hand, approval given to the alternative plan formulated by the Senate.

Some time ago, the gentleman from Pennsylvania [Mr. BECK], in an unforgettable address, argued against any transfer by Congress to the Executive of its power to raise revenue as a perilous sacrifice of a principle which for centuries has been regarded as fundamental. Although sharing the opinion expressed by Mr. Roosevelt and Governor Smith, I am one Member who would unhesitatingly prefer to bear all of the ills which characterize the practice of wholesale revision, rather than violate the principle for which the gentleman from Pennsylvania so vigorously contended. It is true, as Mr. BECK pointed out, that the Supreme Court has upheld the flexible provision of the Fordney-McCumber Act, which furnishes the President a definite standard for the exercise of the authority conferred on him, namely, the difference in costs of production. No one can predict what the court would do about the new and much less definite standard; that is to say, unrestricted consideration of competitive conditions as provided by the House bill. It is easy to believe that the court having held that where there is a fairly definite standard provided, the President is to be regarded as acting as the mere agent and spokesman of Congress might hold that where the standard is completely lacking in definiteness, the President is not to be regarded as acting in that sense, but as doing things which, according to the design of the fundamental law, can be performed only by the Congress itself. But however that may be, it is no more than the function of the court to pass on the validity of legislation, whereas unless in some instance the Constitution compels Congress to legislate, it is the primary function of Congress to decide whether it is wise to legislate, wise to enact such legislation as the provision now under discussion. When we are told by those who are sanguine of what would be the court's attitude in respect to the new flexible provision, we should not take comfort from that, but rather think of the words of St. Paul, the statesman of the New Testament:

All things are lawful unto me, but all things are not expedient.

When we are asked to accept the legalistic view that there can be no misgiving about what the Supreme Court would decide, we may think of the words of the great English statesman, Edmund Burke, who, in discussing the right of the British Crown to tax the Colonies, said:

It is not what a lawyer tells me I may do, but what my conscience tells me I must do.

England has no written constitution, and Parliament can divest itself to any extent it may think proper of the taxing power by transferring that power to the Crown. But, as stated by the gentleman from Pennsylvania, in one of the most memorable contests that ever occurred in that country, in which King Charles I lost his life, it was finally and forever determined that the power of taxation should remain in and be exclusively



exercised by Parliament. That was a contest waged not for or against the construction of a constitution but a contest in support of a principle deemed an essential guaranty of civil liberty. The Crown engaged in raising revenue by ship-money writs independently of Parliament. Commenting upon the beginning of the struggle, Lord Nugent in his work on John Hampden says:

The first ship-money writ may be considered as the foundation, though laid by no friendly hand, on which was afterwards to be reared the stoutest buttress of our English system, the entire and undisputed control of Parliament over the supplies.

There was no written constitution fixing the rights of the American Colonies when the Government of the mother country attempted to impose and collect the stamp tax, but, nevertheless, Patrick Henry, in spite of all the reactionary hostility he encountered as the champion of a principle which he was not willing to yield to the slightest extent, secured the passage of a resolution in Virginia declaring—

That the general assembly of this Colony have the only and sole exclusive right and power to levy taxes and impositions upon the inhabitants of this Colony, and that every attempt to vest such power in any person or persons whatsoever other than the general assembly aforesaid has a manifest tendency to destroy British as well as American freedom.

That event in the little town of Williamsburg, just 165 years ago this month, within a decade led to the Revolution and ultimately to the formation of our Union. In the Colonies, as in England, the struggle was for the sanctity and preservation of a principle which does not spring from or depend upon any written constitution but is a corner stone of the structure of representative government.

It seems to me that too little attention has been paid to the fact that one of the capital achievements of those who founded our Government is the distinct separation of the three great departments, and that this conception is ignored whenever the taxing power is handed over to the Executive. We have boasted to the world of that achievement. It represented the conception of the framers of the Constitution and of the greatest men who have served in the Presidency. You will remember that it was insisted on by the first President when the Jay treaty was under consideration. I can not imagine that anything like the so-called flexible provision would have received his sanction or the sanction of any of his successors in many of the years that followed. They were not only acquainted with business conditions and methods but with theories of government and with the history and fate of nations.

I do not understand that in any of the States of our Union there has been any abandonment of the principle by vesting in a governor or any agency outside of the State legislature of any scintilla of the power to lay taxes and raise revenue, or any thought or suggestion of such a thing.

An ominous feature of the surrender or relaxation in any degree of a supreme governmental principle is that a step once taken so often leads to other and rapid steps in the same direction. Says Junius, the most famous of all letter writers:

One precedent creates another. They soon accumulate and constitute law. What yesterday was fact to-day is doctrine; examples are supposed to justify the most dangerous measures, and where they do not suit exactly the defect is supplied by analogy.

It was insisted when the Fordney-McCumber law was enacted that the flexible provision was intended for temporary use, but now it is urged as a permanent policy.

There has been some statement heretofore of the practical objections to the flexible provision. It has been correctly stated that a flexible provision can not be modified or repealed except by a bill which the President in his discretion may veto, and that when under the provision a duty is established by the President it has the effect of a statute and can only be modified or repealed by a bill which is subject to veto. It may further be stated if the expectations of those who favor the plan are realized that there will be almost continual action by the Executive in changing and varying duties, and we can not help knowing that the President, whose time is so fully occupied, will after a while, if not at once, completely defer to the Tariff Commission and accept the findings which the commission presents to him. Are we so enamored of the commission form of government as to be willing to enact legislation which will inevitably bring about that condition? I am not, even if I could be certain of the Tariff Commission being always composed of men of the very highest ability, equipment, and integrity. But there can be no such certainty. Distrust, no less than vigilance, is the price of safety. All of us who have been in Congress for a decade have witnessed with shame too much official corruption and maladministration, and during one administration very close to the highest office, to feel any assurance that a commission

might always be trusted to do the work which Congress itself should perform.

The argument might be protracted, but the sum of all of it is this: The power to raise revenue does not belong to the White House at the other end of the Avenue but to the Capitol at this end of the Avenue. It is a power residing here about which a sacred circle should be drawn which no one should be permitted to invade.

I should not omit to refer to the opinion of another statesman. I have come across an address delivered by the very able and experienced Speaker of the House, for whom I have a most warm regard, in 1911, when he was discussing a proposal to establish a tariff commission. He was unreserved in criticizing the habit of wholesale tariff revision. Among other things he said:

The trouble with our system is that the witnesses who appeared before the committee of Congress were not in all cases unprejudiced. We have had on the one hand the producer, to whose interest it is that the duty shall be as high as possible, and on the other hand we have had the importer, to whose interest it is that the duty should be as low as possible. I believe that both of these two classes have meant and intended to state only the facts, but, after all, those facts could not escape being tinged with bias on one side or the other, and it has been my experience as a member of the Ways and Means Committee that we have been frequently left between the two horns of a dilemma and the duty resulting has been largely guesswork.

He further said:

Under our legislative practice it is impossible to change one item without opening up every other to change an amendment. The time has come when these rules should be so modified as to make it possible to pass through the House of Representatives the needed amendment to the tariff, if it only be the duty on a single item, without throwing open the entire discussion.

Thus he perceived just as clearly as Mr. Roosevelt and Governor Smith the evil of the habit of wholesale revision to which Congress has become addicted. But he was very far from suggesting as a remedy that authority to deal with the duty should be devolved upon the President. Taking exactly the contrary position, Mr. LONGWORTH made this emphatic declaration:

As a Member of the House of Representatives intrusted by the Constitution with the origination of revenue legislation, I am very jealous of those powers and I am opposed to the delegation of even a shadow of that power to any other body of men, and it would be the delegation of at least a shadow of that power to give them [referring to a Tariff Commission] the right to recommend specific changes in an existing schedule.

Like Mr. LONGWORTH I am resolutely in favor of Congress reserving to itself every shadow of the power to raise revenue. It should not yield that power or any shadow of it to the President. It should not yield that power or any shadow of it to a Tariff Commission. But disagreeing with him that to make much greater use of the Tariff Commission involves any delegation of congressional power, I profoundly believe that the remedy we are seeking is to be found along the line of the proposal which the Senate submits as a substitute for the flexible provision of the House bill. As I understand, at the heart of that proposal is the suggestion that the Tariff Commission should be authorized not only to make thorough investigations but to recommend duties which in its judgment should be adopted, it being clear, however, that the recommendations are in no sense final so far as the commission is concerned, and not to be made final by the action of the President, the final decision in every instance to remain with Congress.

Though convinced that the Senate has rightly rejected any plan of transferring power to the President and by the main feature of its plan suggested the remedy which is being sought, I will take the liberty of discussing some of the matters which will be further considered in conference.

If the commission is to have a maximum of vigor and impartiality, and therefore of usefulness, the tenure of office of its members should be lengthened instead of diminished and their compensation increased, so that there will be the opportunity of obtaining the services of the best men available, who will be enabled to detach themselves, as do the Supreme Court justices, not only from their other employment but from the prospect or hope of other employment. On this point Mr. Hoover, in his message at the beginning of the extra session last year, said:

The Tariff Commission should be reorganized and placed upon a basis of higher salaries, in order that we may at all times obtain men of the broadest attainments.

If it is to be of maximum value to Congress, it should not only be intrusted with the duty and given the means of constantly making thorough investigations of all the multitude of facts and

circumstances hardly capable of being enumerated in any statute which should be taken into account in determining duties, but it should be vested with the further authority to recommend directly to the House from time to time as it may deem necessary, or may be called on by Congress or its committees to do so, what, in its judgment, the duties in any schedule or on any group of products or the duty on any products should be. Any such recommendation should be accompanied by a full explanation of the reasons on which it is based, and it will be for Congress to determine whether those reasons are valid. Of course, there will sometimes be divided opinions both among members of the commission and among Members of Congress regarding the true significance of the reasons set forth. But a lucid and impartial presentation of the merits in each case will enable the representatives of the people to determine what rates of duty will best serve the interest of the country as a whole.

It is a strange fact that up to this time the Tariff Commission has been confined to furnishing Congress technical and statistical information and prevented from recommending what the duties should be. While a corporation, an individual, a magazine, or a newspaper can make such a recommendation, the commission is unauthorized to do so.

If it is to have a desirable maximum of freedom and reliability, it should not in any case be limited to ascertaining the difference in costs of production here and abroad, nor should that requirement be made pivotal, but it should be authorized to report what it believes, in the light of all relevant evidence, to be the reasonable duties to apply, just as the Interstate Commerce Commission is given the broad power to determine in like manner what are reasonable rates for the transportation of freight and passenger traffic. The law sets reasonableness as the rule and standard for the latter commission, and that should be the rule and standard for the Tariff Commission.

All of this would place upon a President responsibility which he could not escape without lasting discredit of making appointments which would command the respect and approval of the country. He would be charged with the obligation to appoint "men of the broadest attainments" and of uncontested ability, character, and fairness, men deserving universal respect and confidence, and any President for any reason failing to do this would not only incur condemnation but lead to an effort to sweep the commission out of existence.

Should it be objected that the tariff is necessarily a party question, whereas the public issues dealt with by the Supreme Court lie outside of the range of partisanship, the reply is that this was once true but that it is no longer true. There was once party advocacy of free trade or approximate free trade; there was once party advocacy of a tariff for revenue only. But that day has passed. Now both major political parties subscribe to the doctrine of protection, and the only desire of just and honest men in both parties is that the degree and measure of protection shall be reasonable. Those who are impelled by any other desire can not claim to be intellectually or morally just and honest.

Should there be objection to the idea of the difference in costs, which, in my judgment, is unwisely made predominant, being abandoned as the chief factor, the reply is that while that factor should not be overlooked, there is hardly anything more difficult in the field of economics, and even when a foreign country is not involved, than to arrive at the actual costs of production. Some years ago, I believe, the Department of Agriculture embarked on the task of finding the cost of producing wheat in one of the important counties of Iowa and failed to reach a satisfactory result. They found, of course, that farms are not the same in fertility; that they are not equally equipped with capital and machinery; that they are operated by individuals of diverse capacity and energy; and that thus, while the cost of production may be a given figure on one farm and in one limited locality, it is another figure on another farm and in another locality, and nothing is possible except to make an average which counts for little. The Representatives of farming districts here, whatever the main product of their communities, will not deny that such is the case, and without question there is hardly any industry in which the cost of production does not in the same manner fluctuate from nation to nation, from section to section, State to State, and factory to factory. The limit of difficulty and uncertainty is reached in the effort to ascertain costs in this country and costs in other countries for the purposes of comparison and the ultimate purpose of fixing customs duties. At this time, as I understand, there is no representative of the commission working along that line in Europe. It might be noted that at every revision of the tariff Congress has in some instances even expressly refused to consider differences in costs of production and in other instances has tacitly ignored them. The House, when considering the bill now in conference, declined to put a duty on cotton of extralong staple in spite of the lower costs in Egypt; both Houses refused to levy a duty on

petroleum; and other instances might be enumerated. Congress has thus acknowledged that other considerations should be weighed in fixing duties in addition to the difference between foreign and domestic costs of production. The efficiency of an industry in supplying the needs of the country, the effect of duties on our foreign trade, the dependence of employment in one industry upon the products of another, the practice of discrimination and unfair treatment of our commerce by foreign countries, the existence of monopoly and extortion among our own industries—these and many other facts should receive attention by the commission and should be fully set forth in its reports to Congress. Let me emphasize that a strongly organized and independent commission should extend its investigation in every direction, including production costs when ascertainable, with a view to the one purpose of ascertaining and recommending reasonable rates.

Should it be objected that undesirable delay would result, the reply is that there would be no such delay as now occurs when a tariff law is enacted and then laid aside for several years awaiting another wholesale revision. A few months delay in Congress acting on a schedule or an item would not be disastrous, and a little delay is better than to strike at the principle which Mr. BECK has discussed by authorizing quick action by the President, on the basis of data supplied by the commission.

Should it be objected that it is easier for the committees of Congress to do most of their work during a number of months at long intervals than to keep steadily at work on schedules and items, the reply is that they would be in no worse position than other standing committees which work without intermission. In the constant or frequent study of individual schedules and items, rather than now and then studying the whole tariff fabric, the committees would be pursuing the course of the astronomer who nightly trains his telescope on the separate stars instead of trying to examine the entire planetary system all at once.

Incidentally it can be said that a general revision of a tariff law is somewhat of an anomaly in legislation. There is nothing in the nature of a tariff law differentiating it from any other law, so as to cause a legitimate demand for a wholesale general revision. There can be no such demand by anyone who stops to consider that the specific schedules and the specific items are largely unrelated to the other. For example, it will not be claimed that there is any essential or even remote relationship between the schedules providing duties on metals and manufactures of metals, the schedule providing duties on wool and manufactures of wool, and the schedule providing duties on tobacco and manufactures of tobacco. Nor will it be claimed that there is any such relationship between possible duties on boots and shoes on the one hand and lumber and shingles on the other, or sugar on the one hand and oil on the other. There never has been and never can be a scientific tariff any more than there can be a scientific government, but no economist who deals with the tariff in the effort to give it a nearer approach to a scientific status can believe that any such relationship does or can exist.

I am not proposing that Congress shall be compelled to wait on the recommendations of a tariff commission which it may approve or disapprove, for, of course, it will retain authority to initiate action, but nevertheless I do urge that any law which may be enacted should carry a provision preventing any bill having reference to an individual schedule or an individual rate or regulation from being subjected to any amendment which can not be regarded as germane. The observance of such a law would not be compulsory, but it would, at least, have a persuasive effect. It would tend toward any tariff bill being considered under such a rule of procedure as was enforced when the so-called pogon tariff bills and the farm emergency tariff bills were considered several years ago, and when the proposal to open up all the schedules was rejected.

No legitimate remedy except the substantial proposal of the Senate will prevent or quiet the storm which breaks over the Capitol and the country every few years when there is a sweeping revision of all the schedules and all the administrative provisions. It is a storm in which deserving interests are hopelessly confused with undeserving interests. It is a storm marked by endless lobbying, bickering, bargaining, and trading, in which all of the most sordid elements of greed find the opportunity for aggrandizement and profit. It is nothing less than a menace to the standards and ideals of government we are supposed to cherish. That remedy impresses me as being the only alternative short of abandonment by Congress of the power which it should insist on retaining and should alone exert.

I am not speaking as a party man, or as an ultraconservative or as a radical, or with any sectional prejudice. I am trying



to speak as a Representative, anxious, as you all must be, to preserve from any weakening and disarrangement of our political institutions, and to improve the legislative processes upon which so largely depends the welfare of all the people.

If the House insists upon the flexible provision written in the bill reported by the Committee on Ways and Means, then the appeal should be to the Senate, which has so often proved the value to the country of careful and deliberate consideration under liberal rules, to adhere to its proposal, which is of such vital importance, and save us from the inevitable transfer to the President in the days to come of a very much more extensive authority in imposing taxes and raising revenue than now contemplated. It would be better that there should be no legislation whatever than that the Senate should yield to the House. In defeating the bill, if circumstances should require that to be done, the Senate would be holding the Government upon its ancient ways instead of continuing it upon a new and dangerous course. [Applause.]

Mr. HAWLEY. Mr. Speaker, I yield 10 minutes to the gentleman from Wisconsin [Mr. COOPER].

Mr. COOPER of Wisconsin. Mr. Speaker, I had not intended to take part in the debate until I heard Member after Member rise here to-day and say that if Congress should vote to pass the amendment which was then pending the bill would be vetoed by the President, and that therefore they did not propose to vote for it. As I listened it occurred to me that I had read somewhere what the English House of Commons thought of a statement of that kind, and I sent to the Congressional Library for John Fiske's Critical Period of American History and found that my memory had served me well. I will read from page 46 of this volume:

Four days later the House of Commons by a vote of 153 to 80 resolved—

That to report any opinion or pretended opinion of His Majesty upon any bill or other proceeding depending in either House of Parliament, with a view to influence the votes of the members, is a high crime and misdemeanor, derogatory to the honor of the Crown, a breach of the fundamental privileges of Parliament, and subversive of the constitution of this country.

In England the reporting to the House of Commons of the opinions of the King, with a view to influence the votes of members, is a high crime and misdemeanor; and yet just such reporting of the opinions, or pretended opinions, of the President, with a view to influence the votes of Members of this House, has been heard repeatedly to-day on this floor.

That sort of thing, this talk of a veto, is not argument; it is a mere threat.

I did not hear the letter of the President when it was read this morning by the gentleman from Connecticut, but I did a little later hear the speeches to which I have referred.

I have the utmost respect for President Hoover, a very able man, earnestly and honorably striving to serve the country. But we must remember that the author of that letter is the man who directly or indirectly appoints all the postmasters, all the Federal judges, all the heads of departments and many of their subordinates, all the United States marshals and district attorneys, all the officers of the Army and of the Navy, and that he is the most powerful dispenser of patronage in the world.

Mr. Speaker, it is a serious thing for the Congress of the United States to be confronted by threat of a veto as it tries to legislate. We are elected by honorable constituencies. We are supposed to do our duty, as we understand it, under our oaths to support and defend the Constitution of the United States. There ought never to be the slightest attempt to coerce our votes. The Constitution provides a way in which the President may communicate with Congress, and that is by message. And here I am reminded of a great truth uttered by Daniel Webster in his speech on, I think, the presidential protest:

During the ages the contest has been to rescue liberty from the grasp of Executive power.

Mr. Speaker, I close by again inviting your attention to the resolution of the House of Commons:

To report any opinion or pretended opinion of His Majesty upon any bill or other proceeding depending in either House of Parliament, with a view to influence the votes of the members, is a high crime and misdemeanor, derogatory to the honor of the Crown, a breach of the fundamental privileges of Parliament, and subversive of the constitution of this country.

I do not say that the President did wrong. Not at all. I simply direct attention to the great difference in the views of the British Parliament and those of the American Congress as to what is proper in legislative discussion.

Mr. CLARK of Maryland. Mr. Speaker, will the gentleman yield?

Mr. COOPER of Wisconsin. Yes.

Mr. CLARK of Maryland. The gentleman has made a very interesting address. Is not our President constantly criticized for failure to indicate his attitude on pending legislation?

Mr. COOPER of Wisconsin. Not by people who really think.

Mr. DENISON. Mr. Speaker, will the gentleman yield?

Mr. COOPER of Wisconsin. Yes.

Mr. DENISON. In another legislative body when the debenture plan was under discussion, the President was criticized over and over again by a supposed statesman because he would not indicate whether he would approve the bill with the debenture in it or not.

Mr. COOPER of Wisconsin. I prefer to abide by the provision of the Constitution, which declares that the President of the United States may communicate from time to time by message to the Congress—and that means both Houses—and recommend for their consideration such measures as he may wish to recommend; but I do not think that that provision rightfully interpreted would permit a private letter from the President to be read during debate on the floor of the House. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. RAGON. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. SUMNERS].

The SPEAKER pro tempore (Mr. MERRITT). The gentleman from Texas is recognized for five minutes.

Mr. SUMNERS of Texas. Mr. Speaker and Members of the House, the proposition now being considered, in my judgment, is one of the most important which has confronted representative government in 200 years. When we pass legislation of this sort we ought to run down the flag that floats up there [indicating] and run up one that is snow white—the flag of surrender.

In recent years we have been engaged often in this body in a surrender by the Congress to the President and to boards and bureaus of legislative powers for which our ancestors shed their blood on a hundred battle fields. We confronted a somewhat difficult problem; yes, in this tariff matter. Instead of creating an agency controlled by Congress and clothed by Congress with power to aid it, and responsible to Congress, we make a cowardly surrender to the Executive of the taxing power. That is the truth.

When we do that we violate not merely the written Constitution of the United States, which puts the power to legislate concerning revenue in the hands of this body, and puts the responsibility here, and puts upon us a sacred obligation, but we violate the laws of nature, which govern everything. It is not an accident that the power to raise revenue has been vested in the legislative branch of the Government. In this thing we violate, as I say, not only the Constitution but we violate the natural laws of government in every particular. I challenge the history of the ages to prove the contrary. Every attempt to lodge in the Executive the power to deal with revenue has met with disaster.

Mr. CLARK of Maryland. Mr. Speaker, will the gentleman yield there?

Mr. SUMNERS of Texas. No; I regret I can not yield.

This provision does two bad things. One is that it takes from the legislative branch of the Government the responsibilities which it must exercise in order to preserve its virility and grow stronger and more capable to meet the greater duties of tomorrow, and it places too much power in the hands of one human being. It is the power of economic death over industries dependent upon the protective tariff, which we place in the hands of the President and of his board. It is only a question which President will abuse that power. Nature compels the observation of its laws as much by the limitation which it puts upon human capacity as by the capacity which it gives to human beings.

This proposition continued for any length of time in effect would be hurtful both to the legislative and to the executive branches of the Government; to the legislative because it would relieve it of a natural responsibility which it must exercise if it is to retain its virility and efficiency as a coordinate branch of the Government. Power will not remain where it is not used. Nature will not waste its energies. The surrender by the Congress of this responsibility is a suicidal act. It would be equally hurtful to the executive because it would give to it an unnatural, too great, and therefore dangerous power. Aside from the unnatural location of the taxing power involved, this provision puts the head of every individual of every interest affected by the tariff schedule in this flexible tariff vise with the President's hand at the screw, with the power, he and his board, which he nominates, and may discharge at will, to move the

schedule 50 per cent up, or 50 per cent down, and which power, by the way, heretofore exercised in every important instance, has been to move the rates upward.

The history of governments and a correct estimate of human nature leave no question that this is too much, too arbitrary a power, too susceptible of abuse, for any human being to possess in a free government. There is too much involved for us to hesitate to face the situation. Let us take an extreme case: Suppose a President should be a candidate for reelection, and at that time there should be at the head of his political party organization a political racketeer with the fact known that this person was the personal friend of the President, hand picked by him for the head of the organization. Do you suppose this person, regardless of the actual fact as to the President's attitude, would have any trouble getting all the money and all the help he wanted as contributions from these American citizens whose heads were in this flexible tariff vise, or that he would fail out of any sense of delicacy to do it, especially if it afforded him an opportunity to use, with no scruples to prevent, the funds collected for some side ventures, in the stock market for instance?

The President is fighting for this power. He has no business with it. It would inevitably destroy public confidence in that magistracy. Too much power is dangerous—even more so than too little.

This proposed shift would leave the legislature with too little power, bereft of a natural responsibility; the Executive with too much power, possessed of an unnatural responsibility.

If such an agency with such a power as is proposed by this provision is to be set up it should be an agency of the Congress, created and controlled by the Congress, and responsible to the Congress, which under the Constitution and under the most fundamental natural laws, as the legislature, is responsible to the people for policies and schedules of taxation.

Mr. HAWLEY. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. LAGUARDIA].

The SPEAKER pro tempore. The gentleman from New York is recognized for five minutes.

Mr. LAGUARDIA. Mr. Speaker, I have asked for this time in order to read to the House a statement from one of our colleagues who is unable to be here to-day owing to illness. His statement is of great importance in this matter, because he is a friend of the bill; he is a protectionist; and because every Member of this House has great admiration and respect for his learning and ability. He is a recognized and outstanding authority on the Constitution, and an able legislator.

With the permission of the House, I shall read a statement from our colleague, JAMES M. BECK, of Pennsylvania. I read:

"It is a great disappointment to me that an unfortunate injury, which I sustained on Wednesday last, will prevent me from attending the House to-day and joining with those of both parties who, in the matter of the flexible tariff, will defend the ancient prerogative of this House to originate revenue measures and the exclusive power of Congress to impose taxes. I am indebted to my esteemed colleague from New York for this privilege of reaffirming the views that I expressed in this House on May 22 last and my belief that the House flexible tariff provision, if finally enacted, would mean a momentous and indefensible change in our form of government.

"If it should unhappily prevail, then in this important matter of taxation, the Congress, in the last 14 months, has only been engaged in the futile task of suggesting minimums and maximums within which the tariff duties may ultimately be imposed by the President. In that event, the Congress has now only nominated a duty of 2 cents per pound on sugar and it is for the President to say whether the real duty shall be 1 cent or 3 cents. In most cases this discretionary margin will measure the difference between a truly protective tariff and a tariff for revenue only. It is certain that all American industries which are dependent upon a tariff to protect them from foreign competition will exist subject to the hazard that the Executive, with the aid of the Tariff Commission, may deprive them of the protection which the Congress intended they should have.

"I fully recognize that nothing would be farther from the purpose of the present President of the United States. He believes in a high protective tariff, and I recognize the probability that he would be more disposed to raise the duties than to lower them. But no one can now say with any certainty who the next President of the United States will be, and the man is blind who can not see that, with the disruption of both political parties on the prohibition issue, any result is possible. If, in the coming upheaval in politics, a free-trade President should be elected in 1932, he can, with a subservient Tariff Commission, at once reduce duties upon manufacturing

products by one-half under the pretense that he is thus aiding the farmer.

"Therefore, as a believer in the policy of protection, I am opposed to putting it to the hazard of one-man power, but, apart from this economic objection, I can not believe that our form of government can be preserved if, in defiance of the plain letter of the Constitution, we transfer, to a large extent, the taxing power of Congress to the Executive. In this country, as in every country, political institutions are in a state of flux. The idea that a written Constitution can preserve them is the great illusion. It is certain that the founders of the Republic never intended to vest the taxing power in the President. They did not believe that one man, with or without the aid of a few tariff commissioners, could determine questions of economic policy, upon which the welfare of the entire country depends. They believed that, as the House of Representatives was the most recent expression of the will of the people, revenue measures should originate there, and that the Congress, composed of Representatives from every section of the States, and of Senators who represent all the States as political entities, could best determine what taxes should be imposed upon the American people. Such is our constitutional duty, and we shirk it if we, for example, merely nominate a duty of 2 cents a pound on sugar and leave to the President the determination of the question whether the real duty shall be 1 cent or 3 cents.

"I feel so deeply on the subject that I have dictated these views, and if I were present in the House I should vote for the Senate flexible-tariff provision, which vindicates the constitutional prerogatives of Congress, and against the House provision, which virtually surrenders the taxing power to the President and against any suggested compromise which vests a power in the President to impose a tax."

That is from the gentleman from Pennsylvania [Mr. BECK]. [Applause.]

Mr. RAGON. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. CELLER].

The SPEAKER pro tempore. The gentleman from New York is recognized for five minutes.

Mr. CELLER. Mr. Speaker, ladies and gentlemen of the House, I am opposed to the delegation of the flexible tariff provision to the President; first, because I do not believe in that policy; and secondly, because I have the temerity to maintain that the law in that regard is unconstitutional.

I say that in spite of the Hampton case, wherein the Supreme Court held that the flexible provisions of the tariff act of 1922 were constitutional. But the Supreme Court has often reversed itself. I maintain that if a case ever comes before the Supreme Court again the court would change its attitude and declare the statute unconstitutional.

The Supreme Court in the case of Miller against Oregon has recognized that situation. It has a right to change its mind, and on this point has stated:

When a question of fact is debated and debatable, and the extent to which special constitutional limitation goes is affected by the truth in respect to that fact, widespread and long-continued belief concerning it is worthy of consideration. We take judicial cognizance of all matters of general knowledge.

In other words, the court said that it could upset a decision; it could change its opinion. And for that purpose must take judicial cognizance of all facts and circumstances, and therefore I maintain that after eight years of trial of the flexible provisions of the tariff act of 1922 a new set of circumstances has arisen which justifies such a change of opinion. There is at the present time a new set of facts which would prompt the court to reverse itself.

In the Hampton case the court said, as follows:

What the President was required to do was merely to execute the act of Congress. It was not the making of law. He was the mere agent of the law-making department, to ascertain and declare the event upon which its expressed will was to take effect.

It was thought by the Congress, when it enacted those provisions, that the difference between the cost of production here and abroad was actually and easily ascertainable. It was thought that there were reliable guideposts to gauge those differences in cost. But eight years of operation of the act have shown anyone with understanding that there are unlimited differences of opinion, and that, therefore, the difference between the two costs can not actually be ascertained.

The Tariff Commission investigated the costs of 21 different commodities, and they could not agree among themselves as to the actual differences between the costs of production here and abroad. In other words, there have been eight years of constant controversy, eight years of unlimited discretion; and



where there is controversy, where there is discretion, I maintain there is legislating. Therefore, the Supreme Court undoubtedly would hold, in the light of the history of the flexible-tariff provision, that the President has been given by the Congress the right to legislate, which is a right we can not delegate, and the provision therefore would be declared unconstitutional.

Sugar is a case in point. Two commissioners offered an opinion to decrease the duty; two commissioners dissented; one failed to participate. The President, thwarting the expressed will of Congress, refused to abide by the majority view of the commission. Instead of promulgating a decrease of duty, he refused—using the language of the Supreme Court in the Hampton case—to execute the will of Congress; refused to act as a “mere agent”; refused to recognize the “event” upon which the duty was to be changed.

In his opinion he reveals that he took the following matters into consideration:

That the farmer is entitled to share with the manufacturer benefits under the protective-tariff system.

The need for the revenue arising out of the sugar tariff.

That it is desirable that sugar beet be grown as a substitute for wheat in order to reduce wheat acreage; and also that sugar beet is a desirable diversifier of crops.

The desirability of becoming independent of foreign sources for an article of food supply.

The danger of foreign combinations to manipulate prices.

Concerning costs of production, he said that a wide variety of conclusions could be obtained by alternative methods of interpretation of the same basic data.

He had no right to inject these matters of policy. He was legislating, and when we give him the right to legislate we delegate something which we have no right to delegate—power to legislate.

The Supreme Court would recognize the practice that now obtains concerning the flexible provisions. It would recognize that the President is no “mere agent,” that the President usually refuses to recognize the “event” upon which he must act in order to reduce the duty. It would recognize that the President really legislates. It would recognize that there are no fixed standards, no definite signposts, and that in the light of present-day circumstances the delegation of tariff flexible powers is unconstitutional.

The SPEAKER pro tempore. The time of the gentleman from New York [Mr. Celler] has expired.

Mr. HAWLEY. Mr. Speaker, I yield 15 minutes to the gentleman from Massachusetts [Mr. Luce].

Mr. LUCE. It is with regret, shared, I am sure, by all Members of the House, that I have heard that the gentleman from Pennsylvania [Mr. Beck] is detained by reason of illness. It had been my hope that in his presence I might lay before the House views opposing those that, in the matter at issue here, the gentleman from Pennsylvania holds in respect to constitutionality. Courtesy will preclude me from proceeding with that frankness in which I might have indulged had the gentleman from Pennsylvania been in attendance, but inasmuch as his views have been voiced on the floor this afternoon, and reference has been made to them with the use of his name by certain gentlemen who have spoken, I shall feel at liberty to address myself to some of their arguments, even though they coincide with those of the gentleman in question.

Mr. GOLDER. Will the gentleman yield?

Mr. LUCE. I yield.

Mr. GOLDER. In order to relieve the gentleman from some possible embarrassment, I desire to make this commentary, that the gentleman from Pennsylvania [Mr. Beck] found it necessary to go outside of the entire Pennsylvania delegation to have his views expressed in his absence.

Mr. LA GUARDIA. Will the gentleman yield?

Mr. LUCE. I think what my friend might have to say would hardly be relevant to what I am about to reply to the last speaker, who voiced similar views.

The gentleman from New York [Mr. Celler] had resort, as have had other speakers, to the contention that is raised not only in this but in other fields, notably one where grazes assiduously the gentleman from New York who read the statement [Mr. LaGuardia].

In various directions gentlemen confronted with the language of the Constitution and its interpretation through more than a hundred years, have found no escape except to say that the courts were wrong, and if they considered the matter again they would have a glimmer of reason. Such gentlemen go beyond that in one of these other fields, and say that under such circumstances it is the privilege, the right of every citizen to go where and do what he chooses, that the rule of his conduct

shall be what he thinks the law ought to be, not what it is. Remembering the oath we took when the deliberation of the term began, it seems to me that I am more wisely adhering to the old ways in pleading rather than the words of the Supreme Court shall guide our actions and be accepted as our faith until there is some change in the Constitution itself. I am quite aware that elsewhere at the present time, men are proclaiming that no man shall be made a judge of the Supreme Court unless in advance he pledge himself to vote as this or that faction says is right, unless he promises to disregard his conscience, to disobey his oath of office, and become the subservient slave of any group which at the moment chances to have political power. To such doctrine I will not subscribe, and I am not subscribing to-day to the theory that the unanimous views of the Supreme Court in the Hampton case have no binding effect upon our judgment or our consciences.

Let me address myself, however, chiefly to some of the inconsistencies that crop up in this matter, leading us to doubt whether the gentlemen who have discussed it in the past or who are discussing it to-day are quite sincere in their contentions.

I believe I am within parliamentary rules—although they have of late become somewhat uncertain—in referring to what the Senate has actually done. The Senate has submitted to us an amendment that will be the first thing upon which we are to vote at the end of this debate. I would point out to you that whoever elsewhere concocted this amendment and the gentlemen in this body who now support this amendment have neglected to carry their constitutional principles a few pages farther in the bill, where I find no suggestion to modify the words in relation, for example, to unfair practices in import trade; where no stalwart defender of the misinterpreted Constitution rises and objects to the language “when found by the President to exist,” or, a little farther on, “established to the satisfaction of the President,” which gives him the power absolutely to exclude articles from the United States, a greater power than that contemplated by the House provision that is questioned in the matter of the flexible tariff. Let me call the attention of the critics to these words, under the heading Discrimination by Foreign Countries:

The President, when he finds that the public interest will be served thereby, shall by proclamation specify and declare new or additional duties.

I am going to repeat that for the benefit of my friends on the right who with practical unanimity are now taking a position which they did not think to take some eight years ago, when the present law was enacted:

The President, when he finds that the public interest will be served thereby, shall by proclamation specify and declare new or additional duties.

Will some gentleman rise on the right-hand side of this House and tell me why he did not protest against that? No gentleman has questioned this language.

Mr. McKEOWN. I am questioning it now.

Mr. LUCE. I am glad there is one righteous Democrat who is consistent in his views upon this subject.

I have referred to the powers given to the President. On the 15th of last June we passed what is known as the agricultural marketing act. I find in that act that the Farm Board may make such regulations as are necessary. That is natural. There are six permissions to act if the board “finds” a certain state of affairs. Nine times the law uses the expression “in the judgment of,” twice the word “deems,” and once “in the opinion of.” There are 19 instances of this sort of delegation of power in this one law. Will some gentleman on my right rise and say he objected to any one of those 19 delegations of power? He comes here to-day and says it is unconstitutional, but last year, when the farm bill was up in the interest of the agricultural classes, not one of the 19 of these provisions was objected to by the Democratic Party.

I say “the Democratic Party,” because evidently the opposition to the pending measure, as far as solidarity goes, is on the Democratic side. So I would like to remind our Democratic friends and the public that the last Democratic platform expressed the desire for a Tariff Commission that should be “quasi judicial.” If that does not mean a delegation of judicial power, what does it mean?

I further find that they pledged themselves to give to the country, if put in power, duties that would “permit effective competition.” They said the—

Actual difference between the cost of production at home and abroad, with adequate safeguard for the wage of the American laborer, must be the extreme measure of every tariff rate.

To-day they rise and say they object because it will prove impossible to determine the difference between competitive conditions here and abroad. They insist that cost of production should be the yardstick. Yet the experience of eight years has taught us that simply to try to determine the difference in costs of production does not suffice.

Mr. Speaker, each day when I come across from the House Office Building to this edifice I pass under two trees whose limbs are almost bare. They are ancient, gnarled, decaying trees, and their limbs have just shown an indication of bearing leaves. All about are other beautiful trees, full of leaves and glorious in the May sunshine, but these two trees are about a month behind the others. I am inclined to think they must be Democratic trees [laughter]—always behind. These gentlemen, failing to watch the experience of the Tariff Commission, are still at the point the Republicans reached eight years ago—that of comparing costs of production. They complain because, profiting by experience, we wish to go beyond that and add to costs of production other tests of competitive conditions.

In this matter of the delegation of power I know there are men who still demur. My friend from Virginia voices the arguments, and in the same strain in which they were presented so eloquently on this floor about a year ago by the gentleman from Pennsylvania [Mr. Beck]. They have been voiced by other gentlemen. They start off with an incorrect premise. They have not observed the language of the Constitution itself, which gives to the Congress the power to lay and collect "taxes, duties, imposts, and excises"—four different things. These gentlemen argue as if "taxes" covered the whole matter. The tariff, however, does not come under the head of taxes. It comes under the head of "duties," which are a distinctly different affair. A tax is levied with some degree of proportionality, bears upon all in a given class, and must be paid by everybody in that class, whether he will or not, while a duty is levied upon those who choose to exercise a certain privilege put within their reach by the Government, the privilege of importing merchandise. It need not be paid by anybody for nobody is obliged to import or buy goods made abroad. It is a fixed, absolute, and direct charge without any regard to the amount of property belonging to those upon whom it may fall, or to any supposed relation between money expended for a public object and a special benefit occasioned to those by whom the charge is paid.

If, then, any especial sanctity attaches to what are genuine taxes, enforced contributions that take from a man the fruits of his labors, whether he will or no, surely no such sanctity attaches to what are no other than license fees, payments for what the law stamps as merely a privilege, that of importing or buying goods made beyond our borders. Patriots get somewhat unduly rhetorical when they proclaim the delegation of fee making to be an invasion of some fundamental human right.

Mr. MOORE of Virginia. Will the gentleman allow me to suggest that it seems to me the logic of his argument is that Congress could pass a statute authorizing the President of the United States to fix all duties just as he might think proper.

Mr. LUCE. The Congress has already put corresponding power in the hands of the Interstate Commerce Commission, and with less limitation than it is here proposed to place on the President. Let me read the language of the court so the gentleman may have it exactly. I am reading from the opinion in the case of Hampton against United States, a unanimous decision, which my friend from New York [Mr. Celler] thinks will be upset next week if only the court gets a chance at this new bill. Here is what Chief Justice Taft, in rendering the decision, said:

The same principle that permits Congress to exercise its rate-making power in interstate commerce by declaring the rule which shall prevail in the legislative fixing of rates, and enable it to remit to a rate-making power created in accordance with its provisions the fixing of such rates, justifies a similar provision for the fixing of customs duties on imported merchandise.

Now, sir, if the Supreme Court was right, if the unanimous decision of the Supreme Court, headed by the revered Chief Justice Taft, was right, we could, if we chose, transfer the making of duties to the Tariff Commission within the limitations of a declared rule as set out in the decision of the court.

Note, however, that we propose no such broad delegation as in the case of the Interstate Commerce Commission. That body is restricted only by the requirement that the rates it imposes shall be "just and reasonable." With tariff rates we propose no authority to exercise judgment or discretion. We lay down a definite rule that does not go beyond the ascertainment of a fact. We tell the President of the United States that when a certain state of affairs is found to exist, then certain action shall follow. This is the basis of all the power of delegated authority. Gentlemen have, perhaps, thought that in addressing

myself to this question I have not taken the pains to learn something about the history of this thing. Sir, I have read the case of the brig *Aurora*, decided in 1813, for 117 years the law of this land. I am not wholly unfamiliar with the case of Luther against Borden, that of Field against Clark, and many other cases bearing on the subject.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has expired.

Mr. HAWLEY. Mr. Speaker, I yield the gentleman one more minute.

Mr. LUCE. This minute will suffice for me to express to my friend from Virginia the belief that when he refreshes his memory he will agree that I could from the Federal and State reports cite to him at least a hundred judicial decisions justifying in principle such delegation of power as is here proposed. Upon such delegation depends the operation of government. Without the power to delegate administrative functions, the Government could no longer live. It is vital that the Government shall be able to have administrative agencies exercise its authority as set forth in anticipation of defined contingencies. Because the application of the principle as here proposed will bring relief to Congress, will conduce to wiser and prompter action, will lessen the uncertainties of industry and commerce, will encourage prosperity and so benefit all the land, I trust the House will not accept the amendment of the Senate. [Applause.]

Mr. HAWLEY. Mr. Speaker, I yield to the gentleman from Minnesota [Mr. Knutson].

Mr. KNUTSON. Mr. Speaker, I believe in the principle of protection for the American producer. A study of our Nation's history discloses that we have enjoyed our greatest development and prosperity under protection, and other countries are fast adopting the same principle. One of the latest to do so being England, which has always been a free-trade country.

Each time we seek to enact a protective tariff law we meet with greater opposition, due to the fact that many of our large manufacturers have established plants abroad where labor and raw materials are cheaper. It therefore becomes increasingly important that we maintain tariff rates that are up to date and sufficient for our needs. The interests opposed to protection are rich and powerful, and they spend untold sums in propaganda to defeat the enactment of ample protective rates.

Every tariff bill ever enacted by Congress has been assailed and maligned and the Hawley-Smoot bill is no exception to the rule. We all recall the vicious attacks that were made upon Schedule K of the Payne-Aldrich bill. That was the woolen schedule, and the American people were led to believe that its enactment would increase the cost of living by hundreds of millions of dollars, when, as a matter of fact, Schedule K merely imposed such rates upon wool and woolen goods as afforded a fair measure of protection to the American sheep grower and woolen manufacturer. Its operation placed sheep growing upon a prosperous basis and there was no foundation whatever for the attacks that were made against it.

The Hawley-Smoot bill has been similarly attacked. While I do not contend that it is a perfect tariff bill, I do say that it is the best tariff bill for agriculture ever enacted by an American Congress.

Let us see what it does for the farmer. It starts out by giving a rate of 14 cents per pound on butter, 6½ cents per gallon on whole milk and 56.6 cents per gallon on cream. It imposed a rate of \$3 per head on sheep, lambs, and goats; 5 cents per pound on dressed mutton and 7 cents per pound on dressed lamb. Cattle on the hoof, weighing less than 700 pounds, carry a rate of 2½ cents per pound, and 3 cents for cattle weighing over 700 pounds. Swine, 2 cents per pound; dressed pork, 2½ cents per pound; bacon, hams, and shoulders, 3¼ cents per pound; lard, 3 cents per pound; lard substitutes, 5 cents per pound; dressed meats, 6 cents per pound; dry whole milk, 6½ cents per pound; dried cream, 12½ cents per pound; butter substitutes, 14 cents per pound; live poultry, 8 cents per pound; dressed poultry, 10 cents per pound; eggs in shell, 10 cents per dozen; whole eggs dried, 36 cents per pound; egg albumin, 36 cents per pound; egg yolk, 30 cents per pound. It imposes a tariff rate of \$30 per head on horses and mules, when valued at not more than \$150 per head; where the value exceeds \$150 per head, the rate is 20 per cent ad valorem; wool carries a rate of 34 cents per pound; casein, 5½ cents per pound; and potatoes, 75 cents per hundred.

You may recall that I predicted more than a year ago that the Senate would greatly improve the bill which the House then passed, and my prediction has been sustained. The Senate has removed the tariff on lumber and shingles. The rate on cement has been fixed at 6 cents per barrel, which will not be reflected in the price 200 miles back of the seaboard. The Senate also increased the rates on farm products. It is true that the industrial rates are high, but we must bear in mind



that wages and living conditions in foreign countries are at a low ebb, and high rates are necessary if we are to prevent enormous importations that will close down our factories and destroy the farmer's market.

The American Farm Bureau recently issued a weekly letter from its Chicago office commending the rates for agriculture which are carried in the bill, and I believe that with the operation of the new tariff law employment conditions will rapidly become normal and the unemployment slack will be taken up.

I opposed the debenture clause in the bill that came back from the Senate because it is unscientific and could not possibly benefit the producer. To my mind it was merely a piece of political demagoguery such as we might expect on the eve of an election. It would have cost \$280,000,000 per year and would have helped no one but the exporter. Had the debenture remained in the bill we would have been obliged to repeal the antidumping clause and we could have also expected retaliatory measures from competing nations. The debenture is an export bonus. You will recall that New Zealand gave an export bonus of 8 cents per pound on her butter several years ago, and the American market became flooded with butter made in that country. President Coolidge increased the tariff on butter from New Zealand by 8 cents per pound, thus destroying the effect of the bonus. The bonus would merely have inaugurated a vicious circle that could have helped none but exporters. I am glad that it was defeated, for to my mind it was nothing but a cheap piece of politics designed to line up the farmer vote at home. I say this knowing that the President would have vetoed the bill had the debenture clause remained, and that would have meant no tariff legislation in this Congress. Agriculture needs the new rates now, not next year. [Applause.]

In closing I want to make the prediction that when the new tariff law gets into operation it will stimulate business by opening factories that will make work for everyone. That in turn will bring the American market back to a point where we will again consume 85 or 90 per cent of our own production. I have no doubt but that the long delay in passing this tariff bill has contributed very much to the present economic depression, and we should all look forward to the early enactment of the measure so that normal times may be restored.

#### DISTINGUISHED VISITORS

Mr. RAGON. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK of Massachusetts. Mr. Speaker, in connection with the coming national American Legion convention to be held in Boston on October 6, 7, 8, and 9, to which you and your constituents are all invited—we will see they all get back in time to vote for you—the American Legion has been conducting a good-will trip throughout the United States, conveying message from the Governor of Massachusetts and the mayor of Boston to the mayors of the various cities and to the governors of the several States visited. This trip is sponsored by the Boston Herald.

We have in the gallery the pilot of this trip and we also have the ambassador of good will, and I have the pleasure of presenting to the membership of this House the pilot, Russell Boardman, and Col. Alfred J. L. Ford, the ambassador of good will. [Applause, the Members rising.]

#### THE TARIFF

Mr. RAGON. Mr. Speaker, I yield 10 minutes to the gentleman from Indiana [Mr. GREENWOOD].

Mr. GREENWOOD. Mr. Speaker, the most sacred duty delegated to the Congress of the United States is the exclusive power given in the Constitution over taxation, including the fixing of imposts, which are tariff taxes.

This sacred duty is one that is exclusively ours as the legislative department. I am not willing to surrender this duty to the executive department.

Regardless of the fact that the Supreme Court of the United States has sanctioned the delegation of such power in a former law, it still rests with us, as the representatives of the people, to decide whether it is expedient, to decide whether it destroys the balance of power in the departments of Government for us to surrender this authority to the President in the imposition of tariff duties.

The Senate, by its provision, which we are soon to vote upon, gives power to the Tariff Commission to investigate and report its findings of fact as to the cost of production of commodities, elements of foreign competition, earnings of domestic industries, and other facts, but the Tariff Commission reports to the Congress of the United States, as well as to the President. The President, upon such report, has no authority to fix the duty, but must come with his recommendation, as he does on all matters pertaining to the state of the Union, to the Congress, where the Constitution has placed the power to fix the duties, and where I think it should remain.

The Tariff Commission is the child of the Congress of the United States, and should report to the Congress. I am not willing to center power in the Executive of the United States to fix taxation. Power to tax is the power to destroy. Power to tax is power to show favoritism. Power to tax or to fix duties is authority to give privilege. I think the Executive of the United States should not, as one man, be clothed with this supreme power. [Applause.]

I believe it is your duty and mine to consider these tariff matters. I am in favor of the Tariff Commission reporting on different schedules and different items every year. I am in favor of the Congress taking up the matter of fixing duties a schedule at a time. This consideration may group items related to each other. When we let the tariff law run for six or seven years and then take up a general revision it offers an opportunity for trading and juggling of duties between one commodity or one schedule and another and between men who represent different interests and hence the great body of consumers, many times an unrepresented class in the conferences of the committee, go unrepresented; and the law that comes forth is one that is unjust and unfair to the great body of consumers of America.

We have had eight years of tariff tinkering under the present law. The President of the United States has raised many duties and has lowered but a few. We have had eight years now of a protective tariff, first an emergency tariff and then the Fordney-McCumber tariff; and on top of this the President has had the power of tinkering with tariff duties, and yet we are in the midst of one of the greatest business depressions we have ever known, and to-day the stock market of the United States has taken another tumble and is in another slump.

If a protective tariff is a guaranty of prosperity and if the authority of the President to modify rates under that law is a guaranty of prosperity, I say, in the name of high heaven, why do we not have prosperity to-day? [Applause.]

The President has the power to recommend legislation and will have it if we adopt the Senate amendment. The Congress of the United States has the power to fix duties and will have it on the recommendation of the Tariff Commission if we adopt the Senate amendment.

The President having the power to veto, along with the authority to recommend legislation, has all the power our fathers, who built the Constitution, thought he should have. I for one am going to stand on the traditions of the country and limit his power as it is limited in the Constitution. The executive duties of the President are becoming multiplied and more intricate each succeeding year. He should be relieved of all legislative functions. Congress has the constitutional duty to regulate tariffs and we should retain this all-important duty as the elected representatives of the people.

I asked this allotment of time principally to register a protest against this proposed unfair discriminating tariff bill. The President called this special session of Congress to fulfill a campaign pledge to grant adequate relief for agriculture. The farmer constituency of the Central States and of the Nation believed Mr. Hoover would keep that promise. In the campaign he took them on a trip down to Jericho, which he said would be a city of refuge, but he knew that there were thieves by the way, and, sure enough, the farmer has fallen among thieves, and the priests of high protection and the Levites of special interest are passing him by on the other side. It is true that they have raised some of the schedules that will help the farmer in some particulars, but unless he has some advantage from the tariff law there will be no relief. They could not stop with the agricultural schedule, although this special session of Congress was called for the relief of agriculture, and in the other schedules relating to industry they had to raise the rates of tariff taxation so that whatever little benefit they may grant the farmer under the agricultural schedule would be taken away from him in the chemical schedule, in the metal schedule, and in many of the others which I shall discuss more at length in the time allotted to me.

The farmer has been facing bankruptcy for eight years. He has been promised relief. We have reached the parting of the ways, and he expects this Congress to keep the promise made to him for the last eight years or pay the penalty of duplicity. This tariff bill can not be calculated to bring that relief to the farmer. The Republican Party proposes to increase the burden of the prices that he has to pay on these commodities so necessary upon the farm that are covered by these high schedules of tariff taxation, and, while the farmer asks that his yoke might be made lighter, he receives the reply that was given by old King Rehoboam in the days of the kings of Israel: "Whereas we chastised you with whips, now we will chastise you with scorpions." This tariff bill, from the standpoint of the farmer, is the worst tariff bill that has ever been proposed in the history of this Nation. [Applause on Democratic side.] What has the farmer

done to merit this treatment at the hands of the administration? Oh, he has produced a surplus—yes; a surplus that is needed to feed this Nation and clothe this Nation, and without which the Nation would be in distress and in hunger at times when there is a failure of crops or in time of need. We should have legislation that would conserve that surplus rather than criticize the farmer or penalize him for producing the surplus needed to feed the Nation. When this Congress passes a bill with an "equalization fee," in which the farmer undertakes to assume responsibility for marketing his surplus abroad and to bear that burden himself, the legislation is vetoed.

And when, as a substitute for that, the debenture plan is proposed to make the tariff partially effective to farm surpluses, then the friends of superprotection attack it on the ground that it is a subsidy. The truth is that the underlying philosophy of the debenture plan is the underlying philosophy of the protective tariff. It is using the taxing power of this Government to help some man or some group in the process of economic welfare for the benefit of his business. Compare, if you please, the prohibitive tariff and debenture plan. Under the debenture plan these Government certificates are to be issued in order to help the farmer export the surplus products of his farm and to relieve him of damaging competition in the domestic market. Both embargo tariffs and debentures deprive the Treasury of revenue. Neither is proposed to raise revenue, but are alike in principle, based upon the use of the taxing power of the Federal Government. The embargo rates of the present tariff permits the home market to be monopolized by these favored industries. The debenture plan also deprives the Treasury of revenue to save the domestic market to the home producer by helping the farmer export his surplus products. The only difference is this: An embargo is in restraint of trade, and the debenture plan promotes trade with foreign nations.

The protective tariff is a subsidy which has favored industry for years, and it has systematically robbed the farmer, the wage earner, and other consumers in order to provide a better price for the products of manufacturing industry. We have come to the parting of the ways. The tariff has to be reduced so as to equalize the rates that the farmer has to pay for the things he buys and the price he receives for what he produces. There must be legislation that will take into consideration the general welfare of all the people; legislation that considers human rights of the man who works on the land, as well as the rights of the man whose capital is invested in industry. We should look to legislation that favors the producer of the raw material, as well as the man who uses the raw material and makes of it his finished product. This tariff takes care of the highly finished product, and in many instances leaves the producer of raw material with either a small rate of duty or places it on the free list.

My friend from New Jersey also spoke about the fact that the free list used to be longer than it is now. This was in favor of the farmer. He was able to hold his own, because many articles that he had to buy were then on the free list and he could purchase them then on the basis of the price that he received for his own product.

I think that this bill is a manufacturers' bill rather than a farmers' bill. [Applause.] I think it has the same selfishness, and the same greed is found in this proposed tariff as appears in similar tariff bills for years past. These extortions have been robbing the farmers systematically, robbing him not only of his income and his wealth but robbing him also of his man power. It has driven his children away from the farm and sent them to the centers of industry.

This tariff is spoken of as being a tariff to protect labor. In the preamble of this bill this language is used:

To encourage the industries of the United States, to protect American labor, and for other purposes.

I am not willing to concede that these extortionate, these extreme, these unreasonable schedules written in this bill are necessary in order to protect American labor. There have been many tariff crimes committed in the name of American labor, and if we pass a tariff bill on the theory that special privilege is to be granted to some man in industry in order to pay labor a better wage it is the duty of this Congress, through a committee or some other instrumentality, to follow the profits arising from that tariff and see that it is paid to American labor. If we are creating a tariff system in favor of labor in manufacturing industries, we should follow it and see that its beneficiaries carry it into effect. [Applause.]

What is the situation with reference to the textile industry, a highly protected industry? It is one showing the lowest scale of wages found in America, and people employed in textile mills are striking because of intolerable conditions, low wages, long

hours, and poor housing conditions. Here is a protected industry that has enjoyed a tariff privilege for years, and yet it is paying a wage that ought to receive the criticism of every honest American as not maintaining any standard of American living or any fair treatment of American labor.

I have been astounded in my studies of wages paid to labor in this country to find that the highest wages are paid in the nonprotected industries and the lowest wages are paid many times in the highest protected industries. The workers are constantly receiving a decreasing portion of the value added in manufacturing to the products of industry. While capital comes to Congress with honeyed words asking increase of tariff duties in order, as they say, to pay higher wages and maintain the American standard of living, statistics show that having received the protection in high duties and reaped the profits thereby, they do not pay it out in wages, but take it unto themselves in salaries to higher officials and profits.

In a study of the percentage ratio of wages and workers' salaries to new values added by manufacture, 1899-1925, I insert the following table from page 58 of the American Labor Yearbook:

Year	Wages	Total salaries	Workers' salaries	Total workers' share
1899	41.6	7.9	3.9	45.5
1904	41.5	9.1	4.6	46.0
1909	40.2	11.0	5.6	45.8
1914	41.9	13.1	6.6	48.5
1919	42.2	11.6	5.8	48.0
1921	44.7	14.0	7.0	51.7
1923	42.6	11.7	5.8	48.4
1925	40.1	11.8	5.9	46.0

You will note that by the table wages had risen in 1919 to 42.2 per cent and in 1921 to 44.7 per cent of the value added by manufacture. These percentages were under the lower duties of the Underwood tariff and that since that period under the higher duties of Fordney-McCumber tariff the percentage of wages to total value added has decreased to 40.1 per cent of value added by manufacture and that this is the lowest percentage recorded for over 25 years, since 1899. What must be the just conclusion, either that high duties do not produce high wages, or that capital receiving the privilege of high tariff duties in the name of labor is not fulfilling their trust to labor by paying to them the money collected in their name. I have discovered there is a great deal of duplicity, hypocrisy, and false representation used in obtaining high tariff duties. The consumers of America are paying this tariff tribute into the coffers of industry under the taxing clause of the Federal Constitution, supposing that they are thereby creating a fund out of which to pay labor a better living wage and yet Congress is not pursuing the distribution of these funds to see that the trust is performed and the pledge to so pay these funds is not violated. It has been an astounding surprise to me since becoming a Representative, in making a comparative study of wages paid in various industries, to discover that the highly protected industries pay the lower wages while the unprotected industries pay the higher wages. This convinces me that the tariff has but little to do with the payment of wages.

The American wage-earner's average share in the so-called prosperity is between \$25 and \$30 a week, which includes salaried officials and those that are professionally trained. There are the high-wage group at the top who run trains, build skyscrapers, repair plumbing, printers and pressmen, and tailors, who make suits and dresses. These command higher pay by virtue of their unions and collective bargaining and at the other extreme is the so-called millions of common labor, some of whom receive wages yet as low as 15 cents per hour.

Among the low-wage groups we call your especial attention to the facts that many highly protected manufacturing industries make a showing of an annual wage of less than \$1,000 to the worker. Among these are the workers in the lumber industry composing 561,541; textile and textile products other than clothing composing 548,538; the clothing industry composing 305,269; food canning and processing industry composing 201,718; tobacco industry with 132,132; chemical industry with 46,284; and with many smaller and scattering industries making novelties with 35,386. These groups make a grand total according to figures compiled in 1925 of 1,830,868 workers receiving less than \$1,000 per annum on the average and most of them working in highly protected industries during the period of the Fordney-McCumber tariff containing the highest duties of any tariff law excepting only the present proposed monstrosity now under consideration which proposes also to raise duties, place a



greater yoke on the neck of the consumers of America, and hypocritically proposes to levy this tribute in the name of "labor."

Yet that figure now exists under the highest protective tariff law that America has ever seen, and you will observe that the highest percentage they received was in 1921, under the Underwood tariff law. This study convinces me that tariff protection has very little to do with the question of the amount of wages employees receive who are working in the industry. American labor receives for its efforts what it is able to get by reason of the union and by collective bargaining, and because of the great genius in industry and ability to produce.

American labor is entitled to all the wages it has ever received, and it receives them because it is able to force recognition of its rights and not because of the extreme rates of duty which are placed upon products. I know that these tariff beneficiaries come to us with honeyed words and say, "We must have this protection in order to pay better wages and in order to maintain American standards," but after they receive such protection the wages are forgotten and the benefits received from such protection are paid out in salaries and in dividends.

The sugar industry is an example of this. This, perhaps, is one of the sorest spots in this bill. Why should we lay an additional tribute on every consumer of sugar in America, when the statistics show that every sugar refinery, practically every one, that is well managed is making handsome profits, and some of them enormous profits, at least, of such a high degree that they could pay a higher price to the growers of sugar beets.

But perhaps sugar is the most galling imposition and most brazen proposal that is written into this bill. They ask me to vote an additional tribute of a quarter of a million dollars upon the farmers and wage earners of my district in order to increase the profits of a few people who are admitted to own the sugar-refining business of this country, on the theory that if they receive this advantage they will pay the producers of the raw materials—the growers of sugar beets—a little better price for their product.

If we increase this duty on sugar, what assurances have we that it will be reflected in the price of the raw material produced by the farmer who raises beets or cane? With every well-managed sugar refinery in the country making acceptable dividends and some excessive earnings they should pay employees a living wage. In this connection I want to insert an article published in the *Hoosier Farmer* dated May 1, 1929, entitled "Little Children Slave in Industrialized Farming." It is a severe indictment of the sugar-beet industry, as follows:

The Children's Bureau of the Department of Labor recently published the result of a remarkable survey of child labor in agriculture. Labor, published in Washington, D. C., summarized the report in a March issue, as follows:

The survey covered considerable sections of 14 States, including the employment of children in raising cotton, grain, tobacco, onions, fruit, and hops, sugar beets, and in truck farming.

Sugar beets, by common consent, appear to be the worst of all; which is of special interest, since this industry is created and maintained by tariff protection.

What may be called the "family-contract system" prevails in beet raising. A family, always with several child workers, will take the contract of making a beet crop on a given number of acres.

#### IN COLORADO BEET FIELDS

In Colorado, where much of the survey was carried on, these contract workers are mainly Mexicans or "Russian Dutch," this being the common term for the German colonists who went to Russia centuries ago but have been coming to the United States as fast as possible for many years past.

Even the smallest children in these families help in thinning the beets, while youngsters of 12 go through the list of operations—hoeing, pulling, cutting off the tops, etc. The survey says:

#### CONTRACT FOR ENTIRE FAMILY

"Often the thick beet tops, heavy with frost, which comes early in the mountain regions, soak the workers from the knees down. 'Fall is the meanest time,' declared a Colorado contract laborer. 'Women are wet up to their waists and have ice in their laps and on their underwear. Women and children have rheumatism.'"

But while sugar beets were the worst of all crops covered by the survey, truck farming, onion growing, and tobacco raising made heavy physical demands on the child workers. So did strawberry growing, on account of the stooping posture in which all the work must be done.

#### SCHOOL TERM IS CUT SHORT

Farm hours are long, almost never less than 10 hours for a day's work; and in all crops and all sections the survey found that farm work interfered seriously with school attendance.

#### ALIEN CHILDREN SUFFER MOST

The housing conditions of these contract workers are always bad and often frightful. They are working at an industrialized agriculture, on farms which have been turned into factories, with little protection from the laws designed to safeguard factory workers in cities.

Beet-field workers describe their quarters as not fit for chickens to live in, as "nothing but a dog house." Overcrowding is extreme.

I do not intend to vote this additional tax upon the consumers of sugar in America and place a tribute upon every cup of coffee and every soft drink, with the canning season coming on in the agricultural districts, where the housewives are wondering where the money is to come from in order to procure sufficient of this great necessity in order to preserve the fruits and the vegetables which constitute a great item of food upon the farm. I am not willing to vote this excessive duty upon my farmer constituency when the Tariff Commission of the United States, after an unbiased investigation, said there was no justification for it. I think it is the most brazen proposal in this entire tariff bill. It will cost the consumers of America \$125,000,000, and some say \$300,000,000, additional.

I know that sugar is a great revenue producer. I know that it puts a great deal of money in the Treasury, but that is not my idea of taxation—to tax a great necessity like this that is needed as a food and is so essential in every home. Let us give the consumer the advantage of sugar at a reasonable price.

The chemical schedule is a fair example with an extreme tariff on household necessities. The rates on drugs and component parts of medicine go to the very life and health of every home. These increases in their evil effect are only equalled by the increase in the next schedule on surgical and dental instruments. To many people in poor or moderate circumstances surgical, dental, and medical services are already prohibitive. The Republican Party proposes to relieve them by making their tax burden heavier on these dire and vital necessities. It is a heartless disregard of the most basic principle of government to thus take advantage of the poor, the sick, and the helpless. In this same schedule appear the rates on oils and paints, which are kept at the same high level as under the Fordney-McCumber bill. One way to have relieved the farmer would have been to reduce these extreme rates. The prices of paints have been prohibitive to the farmers, and their buildings are going unpainted because of the fancy prices maintained heretofore on oils and paints.

Likewise in the metals schedule steel, iron, and aluminum products are yielding their makers unparalleled dividends and the farmers and other consumers are paying the price. The President took care of pig iron by a 50 per cent raise under the flexibility clause and they were relieved of having to ask for an increase. They are beautifully satisfied with the present embargo rate. The Government is deprived of the revenue upon imports to any great extent and the great steel combinations bask in the special privilege of having had a President that took care of their interests at the same time that he vetoed the farm-relief measures enacted by Congress.

It was my hope on behalf of a depressed constituency on the farms, who are a part of the great consuming class, to see a downward revision of the tariff. This bill, however, continues the profiteers' prices on many farm commodities like structural iron and steel, all woven wires, iron pipe and fittings, chains, rivets, horseshoes, knives, saws, and practically every tool in the workshop or in the kitchen, and whatever escaped specific mention is captured in the dragnet of the basket clause.

While agricultural implements are listed as coming free, there is much sham in this pretension. The truth is that there are few, if any, foreign-made implements to be found on the farms in America. I have never yet discovered one foreign-made implement in my district. However, the farmer pays dearly for the tariff on the metal component parts of all implements. I have noted this significant fact, that implements are much higher in price under a high tariff than they are under a low tariff. I am inserting a table showing the comparative prices of the same implements under the Underwood tariff in 1914 and showing the increases under the present Fordney-McCumber bill, which carries a rate similar to the pending bill.

Implements	1914	1928
Hand corn sheller.....	\$8.00	\$17.50
Walking cultivator.....	18.00	38.00
Riding cultivator.....	25.00	62.00
1-row lister.....	30.00	89.50
Sulky plow.....	40.00	75.00
3-section harrow.....	18.00	41.00
Corn planter.....	50.00	83.50
Mowing machine.....	45.00	95.00
Self-dump hayrake.....	28.00	55.00
Wagon box.....	16.00	36.00

Implements	1914	1928
Farm wagon.....	\$35.00	\$150.00
Grain drill.....	85.00	165.00
2-row stalk cutter.....	45.00	110.00
Grain binder.....	150.00	225.00
2-row corn disks.....	33.00	95.00
Walking plow, 14-inch.....	14.00	28.00
Harness, per set.....	46.00	75.00

There can be no relief to farmers for implements under the pending bill.

It is a source of regret that most of the material so sorely needed by the farmers for improving and repairing their houses and buildings are still maintained on the dutiable list. This is a tax on the comfort, appearance, and efficiency of their homesteads. As we travel over the countryside we deplore the unpainted and unrepaired appearances of farm homes. But with farm products low in price, and with paint, glass, lumber, nails, wire, brick, cement, hardware, all so sorely needed and bearing a prohibitive price, how can the farmer be expected to purchase what he needs? This tariff bill is not a farmers' bill. It is another instrument of extortion. The farmer will resent the hypocrisy and duplicity of the party in power, and, I firmly believe, will rebuke them at the polls.

#### FREE LIST

The manufacturers wanting cheap raw material have also engineered the free list against the farmer. As one farmer put it, we have been "skinned again as to our hides." The manufacturers of leather goods had their way, and the farmers furnish a cheap raw material for the makers of better-priced harness, saddles, suit cases, sporting goods, gloves, brief cases, pocket-books, and all leather goods except boots and shoes. Many cloth shoes with leather soles are protected. There is little competition on shoes except special types. The shoe combine owns the patents and inventions that make machine production possible, and unless they have changed their policy they lease these machines and name the conditions of their operation. Why did not the Ways and Means Committee go into this possibility of monopoly? Let us not be alarmed about an increase in the price of shoes. They now have the price as high as the buying public will stand.

Vegetable and nut oils are admitted free in competition with those grown domestically and as a competitor of dairy products and animal fats grown by our farmers. Yet this bill was brought out for farm relief. A duty here would have been a great help to the farmers but the soap manufacturers did not want it. The soap makers won.

Here is the discrimination and hypocrisy of these schedules, arranged as they are for giving protection for the finished manufactured product and keeping raw material free. It is truly a tariff bill amended by its friends. The old combination of buccaneers commercial and political are operating as in the past. The farmers and the wage earners are the victims. Indeed, what a sorry fulfillment of a pledge made in campaign times to corral the farmer vote.

Everyone knows that with the farmer producing surplus of cotton, wheat, and other products that have to be exported that the schedules fixed upon his products can help him but little. If a tariff will help the price of wheat, in the name of high Heaven why leave the rate at 42 cents per bushel? Why not raise it now? With May wheat quoted at \$1.05 per bushel, the lowest it has been for years, it is a good time to swing your protective theory into action. Come now, boost the farmer's price by a little more tariff.

There are capitalists in America who believe in free trade. While the farmer in the House bill pays a duty on cedar shingles, lumber, and fence posts the railroads, telephone companies, and public utilities were given cedar piling, crossties, and telephone poles on the free list. They are free traders when it means "rubles" in their pockets.

Some have ridiculed the fruit farmers for asking a duty on bananas, yet if labor costs are considered, then a small duty would allow the American fruit growers a chance to pay wages according to American standards and still meet the competition of fruit grown by the pauper peon labor of Central and South America. Here again the great fruit corporations who grow and transport fruit, especially bananas, won the day and the American farmer lost. Bananas remain on the free list.

The Republican platform of 1908 recited a new version of the protective principle and which they broadcast as the "true principle" or the long-established doctrine. However, it was not new but just another step in the evolution of the party toward the favoritism of monopoly. It read as follows:

In all protective legislation the "true principle" of protection is best maintained by the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries.

The platform of the same party in 1904 contained a similar statement but did not propose to guarantee a profit to the manufacturer. In fact, however, the tenor of Republican tariff laws were such previously to 1904 to indicate that the party was more interested in industrial dividends than they were in raising revenue or producing a general and wholesome prosperity for the whole people. Since the open declaration of 1908, proposing to guarantee a reasonable profit to American industry, the anchorage of decency has been lifted, the sky is the limit, and they have been sailing around in the upper air of inflated dividends. Stocks and bonds of industrial concerns have likewise been soaring high, while the consumers of America, composed mostly of the farmers and small wage earners, have been down in the lower stratas fighting the storms of hard times and bankruptcy. The Republican Party has prostituted itself to the privilege seeker and the profiteer.

Now, just two matters with reference to the administrative features of the bill. There is, first, the so-called flexible clause which delegates to the President of the United States the power to raise or lower rates. This is delegating the legislative powers of Congress with respect to the taxing power of the Federal Government.

I am in favor of keeping the three departments separate and inviolate. I think it is better for the rights of the people for Congress to act in matters of legislation rather than delegating that power to the President. [Applause.] We have seen that with a President inclined to superprotection that he knows how to raise a rate, but he does not know how to lower one. I am in favor of lowering duties instead of putting them on stilts all around the farmer. I would like to see the duties on commodities that have excessive profits brought down to a level so that there will be less inequality with the farmer. [Applause.]

In this bill there is another delegation of power to the Secretary of the Treasury to fix valuation. There are two vital factors in all taxation; one is fixing the valuation, and the other the rate, so this bill proposes to delegate practically all the power that there is in tariff taxation. I am not in favor of going that far. I am not willing to rob the judiciary of its power to decide judicial questions, and I do not believe in depriving the Congress of the power to legislate on legislative questions.

All they need, to have a permanent system of superprotection, is in this bill. It delegates to the Executive the power of the Congress of the United States to fix duties and the valuation of imports. Furthermore, this could be changed by Congress only when a two-thirds majority overrides the veto of the President, which is never likely to happen on a tariff question. [Applause.] I am not willing to give my support to such a diabolical scheme. I shall not vote to destroy our balanced system of constitutional government.

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. HAWLEY. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman from Oregon has 10½ minutes remaining, and the gentleman from Arkansas has 4½ minutes remaining.

Mr. HAWLEY. Will the gentleman from Arkansas yield his time?

Mr. RAGON. Mr. Speaker, I yield the balance of my time to the gentleman from Oklahoma [Mr. McKeown].

Mr. McKEOWN. Mr. Speaker, I voted against the Budget system when my party was in power because I thought it was a surrendering of the functions of Congress. I also voted against surrendering our power in the allocation of public buildings. I have been a constant advocate to retain in Congress the determination of matters that Congress ought to decide.

This is the first opportunity the House has ever had to vote on the flexible provisions in a tariff bill. They did not have that chance in 1922, when the McCumber-Fordney Tariff Act was passed. Now, the flexible provision under this bill is very different from what it was in that act. By this you change the method of ascertaining the conditions so that it permits the President to legislate, because he can set aside his own proclamation. He can make a proclamation and then later set it aside. You give him unlimited power. If I was going to leave the power to any President, I would leave it with the present President as soon as any man I know of. But I say it absolutely surrenders the power of Congress in matters that I



think should not be surrendered, matters where the legislation is vital to the country.

But go ahead; you are in power; you have the majority; you surrender the power. This provision in the bill goes much further than the provision in the act of 1922.

The Hampton case says in that act it was nothing more than a turning over to the President the right to do a ministerial act, but in this bill you are giving him the power to set aside his own proclamation. If he makes a proclamation, he can subsequently set it aside.

Now, there is something else I want to call to your attention. It was decided in the Court of Customs Appeals that the infringement of a patent was unfair competition. If in this country it is unfair practice, then you will be taking the matter to the Tariff Commission, and they will say that an infringement of a patent is unfair competition, so as to take jurisdiction.

I do not see how without any law the customs and patent court could declare an infringement of patents is unfair practice. There was a dissenting opinion in the case. With all due deference to the opinion in the Hampton case, which I have studied carefully, that if I had been a member of that court there would have been one dissenting opinion in that case. If you take this bill and look at its provisions, you will see that you have changed the yardstick, the difference between the cost of production here and abroad, the question of competition. Although I am not a prophet, and I have no right to say what the Supreme Court of the United States will do, yet I say this: If the Democrats elect a man who believes in lower tariff rates and less protection in this country, it is sure that some of you fellows or your constituents will be taking it up to the Supreme Court and asking to have it declared unconstitutional. It is going to work both ways in this country. It will work for you when you high-protective men are in power, but when you get somebody there who is not so strong for protection, then you fellows will come in and say that the President is usurping the powers of the Congress and that the statute is unconstitutional, and that we ought to put him out of office. [Laughter and applause.]

The SPEAKER pro tempore. The time of the gentleman from Oklahoma has expired.

Mr. RAGON. Mr. Speaker, I yield one minute to the gentleman from Oklahoma [Mr. McCLINTIC].

(Mr. McCLINTIC of Oklahoma addressed the House, and by unanimous consent he was permitted to have his remarks inserted in the RECORD after the conclusion of the consideration of the tariff bill, where they appear.)

Mr. HAWLEY. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. CROWTHER].

Mr. CROWTHER. Mr. Speaker, ladies and gentlemen of the House, this flexible clause has been the cause of considerable discussion ever since it was made a part of the 1922 tariff act. It has been suggested that the reason for its adoption was due to the failure to incorporate American valuation in the bill. However, I have reason to believe that perhaps that was not so. You know the reason it was put in as well as I do, and you know the circumstances in Europe that made such a provision necessary. European industry was paralyzed and their currency hopelessly depreciated. It was impossible to procure production costs abroad, and the committee realized that established rates might become wholly inadequate to protect American labor when European industries resumed normal activities. It has been severely criticized, and my good friends the Democrats have said that the only value it has been in reducing rates was in its application to bobwhite quail and to paintbrush handles. But the rates raised under this provision have been largely for the benefit of agriculture. Producers of wheat, peanuts, onions, butter, and cheese have been benefited by this section, and rates have been reduced on several kinds of feed products that the farmers use from 15 per cent ad valorem to 7½ per cent ad valorem. So that the flexible clause has been of material benefit to the agricultural interests of the country.

The suggestion was made a few moments ago by the gentleman from Indiana [Mr. GREENWOOD] that we ought to have the Tariff Commission report only to the Congress, and that we ought to revise the tariff bill every year by taking one schedule up at a time. Of course that is impossible, ridiculous, and absolutely impractical. That method was suggested by a distinguished Senator who is renowned for his inquisitorial activities. He was quoted by Mark Sullivan in a New York newspaper as suggesting that the Congress take one schedule up at a time. But suppose the commodity upon which you wanted to adjust the duty was not in the schedule that you were considering that year? What would you do about it—just let it ride and let the industry suffer materially until you were finished with this

other schedule? I do not know what the gentleman from Indiana was thinking about when he suggested such an impractical method of revising the tariff as to take one schedule at a time. To complete all the schedules would take 16 years, and when you were halfway through you would probably have to start all over again.

Mr. GREENWOOD. I also inserted the word "item"—one schedule or item. I mean to act on the recommendation of the Tariff Commission and have their information come to the Congress.

Mr. CROWTHER. Has the gentleman given the matter of the method of procedure any consideration, or is this just a haphazard suggestion?

Mr. GREENWOOD. I have considered it quite a while, and I suspect as much as the gentleman from New York has.

Mr. CROWTHER. I hope the gentleman will give it more serious consideration than he evidently has up to this time. Mr. Speaker, there is a great deal of criticism here regarding the delegation of authority to the President. Of course, I am not a lawyer, and I am not qualified to discuss the constitutionality of this provision. But this is not a new question. In 1890 in the McKinley bill the power was vested in the President to take from the free list certain articles and place them on the dutiable list, as against any nation imposing duties on certain American articles which he deemed "reciprocally unequal and unreasonable." This provision was exercised by the President and assailed as an unconstitutional delegation of power. The Supreme Court of the United States in *Field against Clark* held this paragraph was constitutional.

Now, those of us who are not lawyers can understand this language, found on page 10129, volume 16, of the hearings.

Of the delegation of this function in that act the Supreme Court in *Field against Clark*, supra, said:

What the President was required to do was simply in execution of the act of Congress. It was not the making of law. He was the mere agent of the lawmaking department to ascertain and declare the event upon which its expressed will was to take effect.

Further, and I quote from the brief:

While *Field v. Clark* approves and announces the doctrine supporting the power of Congress to so levy an import duty as by this amendment provided, express declaration, in that many words, to sustain a grant of power to the President "to fix rates" is not therein had. Nor is that by this amendment attempted. Nor would anyone conversant with the law upon the subject so attempt. What is here done by Congress is not to delegate a power "to fix rates" but to itself fix or levy a duty, not in terms of fixed figures but in terms of certain prescribed "facts" or "state of things," and authorize and empower the President to ascertain and proclaim the duty or rate thereby fixed by Congress.

That language seems to be applicable to the subject matter under discussion, and I think it is well to quote it at this time.

Now, in regard to this question of the delegation of authority to the President, my friends on the Democratic side of the House seem to be terribly exercised and concerned about delegating this power to the President of the United States. They assert that it is not the right thing to do, that in spite of the Supreme Court having passed favorably upon it, they declare it is still unconstitutional.

I know we all appreciate the modesty of some of these lawyer colleagues of ours, who declare that the Supreme Court is wrong and they are right.

But some of my Democratic friends who complain of this delegation of power to the President were almost unanimously in favor of the delegation by Congress to the Farm Board of the power to handle \$280,000,000 of debenture certificates. [Applause.] You were almost unanimous for that, and yet you could not see your way clear to delegate this authority to the President of the United States. "Consistency, thou art a jewel."

Now, I realize that everybody is tired of debate and ready to vote. I hope you will support this provision, and that you will leave it in the bill as the Ways and Means Committee wrote it. May I in closing congratulate our able chairman [Mr. HAWLEY] for the masterly manner in which he has handled this important measure. [Applause.]

The SPEAKER. There is no motion pending; and before a formal motion is made the Chair will state that, without objection, on Senate amendments Nos. 1129, 1130, 1131, 1132, 1133, 1135, 1138, and 1139, the House will insist on its disagreement. Is there objection?

There was no objection.

The SPEAKER. Now, a motion is in order for the disposition of amendments 1140, 1141, and 1151, on which the House insists on its disagreement.

Mr. HAWLEY. Mr. Speaker, I move that the House further insist on its disagreement to the amendments of the Senate Nos. 1140, 1141, and 1151.

The SPEAKER. The gentleman from Oregon moves that the House further insist on its disagreement to Senate amendments Nos. 1140, 1141, and 1151.

Mr. RAGON. Mr. Speaker, I make a preferential motion to recede and concur in the Senate amendments.

The SPEAKER. The gentleman from Arkansas offers a preferential motion to recede and concur in the Senate amendments. The question is on agreeing to that motion.

Mr. RAGON. Mr. Speaker, I call for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 154, nays 236, not voting 38, as follows:

[Roll No. 35]

YEAS—154

Abernethy	Cullen	Jones, Tex.	Parks
Allgood	Davis	Kading	Patman
Almon	DeRouen	Kemp	Patterson
Arnold	Dickstein	Kennedy	Peavey
Aswell	Dominick	Kerr	Pou
Auf der Heide	Doughton	Kincheloe	Pral
Ayres	Doxey	Kvale	Quinn
Bankhead	Driver	LaGuardia	Ragon
Bell	Edwards	Lambertson	Rainey, Henry T.
Black	Eslick	Lampert	Ramspeck
Bland	Evans, Mont.	Lanham	Rankin
Bloom	Fisher	Lankford, Ga.	Rayburn
Boz	Fitzpatrick	Larsen	Romjue
Boylan	Fuller	Lea	Rutherford
Brand, Ga.	Fulmer	Lindsay	Sabath
Briggs	Gambrill	Linthicum	Sanders, Tex.
Browne	Garrett	Lozier	Sandlin
Browning	Gasque	McClintock, Okla.	Schneider
Brunner	Gavagan	McDuffie	Sinclair
Buchanan	Glover	McKeown	Smith, W. Va.
Busby	Goldsborough	McMillan	Somers, N. Y.
Byrns	Green	McReynolds	Spearling
Canfield	Greenwood	McSwain	Stafford
Cannon	Gregory	Mansfield	Steagall
Carley	Griffin	Mead	Stevenson
Cartwright	Hall, Miss.	Milligan	Summers, Tex.
Coller	Hammer	Montague	Tarver
Christgau	Hare	Montet	Taylor, Colo.
Clark, N. C.	Hastings	Moore, Ky.	Underwood
Cochran, Mo.	Hill, Ala.	Moore, Va.	Vinson, Ga.
Collier	Hill, Wash.	Morehead	Warren
Collins	Howard	Nelson, Mo.	Whittington
Cooper, Tenn.	Huddleston	Norton	Williams
Cooper, Wis.	Hull, Tenn.	O'Connell, N. Y.	Wilson
Corning	Hull, Wis.	O'Connor, N. Y.	Wingo
Cox	Igoe	Oldfield	Woodrum
Crisp	Jeffers	Oliver, Ala.	Wright
Cross	Johnson, Okla.	Oliver, N. Y.	
Crosser	Johnson, Tex.	Palmisano	

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Ackerman	Dallinger	Hoffman	Moore, Ohio
Addins	Darrow	Hogg	Morgan
Aldrich	Davenport	Holaday	Mouser
Allen	Dempsey	Hooper	Murphy
Andresen	Denison	Hope	Nelson, Me.
Andrew	De Priest	Hopkins	Newhall
Arentz	Douglass, Mass.	Houston, Del.	Niedringhaus
Bacharach	Dowell	Hudson	Nolan
Bachmann	Drane	Hull, Morton D.	O'Connor, La.
Bacon	Dyer	Hull, William E.	O'Connor, Okla.
Baird	Eaton, Colo.	Irwin	Owen
Barbour	Eaton, N. J.	Jenkins	Palmer
Beedy	Elliott	Johnson, Ind.	Parker
Beers	Ellis	Johnson, Nebr.	Perkins
Blackburn	Englebright	Johnson, S. Dak.	Pittenger
Bohn	Estep	Johnson, Wash.	Pratt, Harcourt J.
Bolton	Esterly	Johnston, Mo.	Pratt, Ruth
Bowman	Evans, Calif.	Kahn	Pritchard
Brand, Ohio	Fenn	Kearns	Purnell
Brigham	Finley	Kelly	Ramey, Frank
Brumm	Fish	Kendall, Ky.	Ramsayer
Buckbee	Fitzgerald	Ketcham	Ransley
Burtness	Fort	Kiefner	Reece
Butler	Foss	Kless	Reed, N. Y.
Cable	Free	Kinzer	Reid, Ill.
Campbell, Iowa	Freeman	Knutson	Robinson
Campbell, Pa.	French	Kopp	Rogers
Carter, Calif.	Garber, Okla.	Korell	Sanders, N. Y.
Carter, Wyo.	Garber, Va.	Langley	Schafer, Wis.
Chalmers	Gibson	Lankford, Va.	Sears
Chase	Gifford	Leavitt	Seger
Chindblom	Golder	Leibach	Seiberling
Christopherson	Goodwin	Letts	Selvig
Clague	Graham	Luce	Shaffer, Va.
Clancy	Granfield	McClintock, Ohio	Short, Mo.
Clark, Md.	Guyer	McCormack, Mass.	Shott, W. Va.
Clarke, N. Y.	Hadley	McCormick, Ill.	Simmons
Cochran, Pa.	Hale	McFadden	Sloan
Cole	Hall, Ill.	McLaughlin	Smith, Idaho
Colton	Hall, Ind.	McLeod	Snow
Connery	Hall, N. Dak.	Maas	Sparks
Connolly	Halsey	Magrady	Speaks
Cooke	Hancock	Manlove	Sproul, Ill.
Cooper, Ohio	Hardy	Mapes	Sproul, Kans.
Coyle	Hartley	Martin	Stalker
Craddock	Haugen	Menges	Stobbs
Crail	Hawley	Merritt	Strong, Kans.
Cramton	Hess	Michaelson	Strong, Pa.
Crowther	Hickey	Michener	Summers, Wash.
Culkin	Hoch	Miller	Swanson

Swick	Timberlake	Wason	Wolfenden
Swing	Tinkham	Watres	Wolverton, N. J.
Taber	Treadway	Watson	Wolverton, W. Va.
Taylor, Tenn.	Turpin	Weich, Calif.	Wood
Temple	Underhill	Welsh, Pa.	Woodruff
Thatcher	Vestal	White	Wurzbach
Thompson	Vincent, Mich.	Whitley	Yates
Thurston	Wainwright	Wigglesworth	Yon
Tilson	Walker	Williamson	Zihlman

NOT VOTING—38

Beck	Frear	Ludlow	Snell
Britten	Garner	Mooney	Stedman
Burdick	Hudspeth	Nelson, Wis.	Stone
Curry	James	O'Connell, R. I.	Sullivan, N. Y.
Dickinson	Johnson, Ill.	Porter	Sullivan, Pa.
Douglas, Ariz.	Jonas, N. C.	Quayle	Tucker
Doutrich	Kendall, Pa.	Rowbottom	Whitehead
Doyle	Kunz	Shreve	Wyant
Drewry	Kurtz	Simms	
Dunbar	Leech	Sirovich	

So the motion to recede and concur in the Senate amendments was rejected.

The Clerk announced the following pairs:

Mr. Beck (for) with Mr. Simms (against).  
 Mr. Whitehead (for) with Mr. Dunbar (against).  
 Mr. Sirovich (for) with Mr. Kendall of Pennsylvania (against).  
 Mr. Garner (for) with Mr. Wyant (against).  
 Mr. Mooney (for) with Mr. Shreve (against).  
 Mr. Stedman (for) with Mr. Porter (against).  
 Mr. Kunz (for) with Mr. Kurtz (against).  
 Mr. Quayle (for) with Mr. Dickinson (against).  
 Mr. Ludlow (for) with Mr. Leech (against).  
 Mr. Drewry (for) with Mr. Jonas of North Carolina (against).  
 Mr. Nelson of Wisconsin (for) with Mr. Doutrich (against).  
 Mr. Tucker (for) with Mr. Johnson of Illinois (against).  
 Mr. Sullivan of New York (for) with Mr. Britten (against).  
 Mr. Douglas of Arizona (for) with Mr. Sullivan of Pennsylvania (against).  
 Mr. O'Connell of Rhode Island (for) with Mr. Snell (against).

The result of the vote was announced as above recorded.

The SPEAKER. The action on this motion is tantamount to agreeing to the motion of the gentleman from Oregon [Mr. HAWLEY] to insist on the disagreement of the House to the Senate amendments.

On motion of Mr. HAWLEY, a motion to reconsider the vote by which the motion to recede and concur was rejected, was laid on the table.

Mr. HAWLEY. Mr. Speaker, I ask unanimous consent that on all remaining Senate amendments which deal only with paragraph numbers or references, and which can not be determined until after the amendments upon which we have been voting for the last three days have been finally acted upon, the House disagree to the amendments and send them to conference.

The SPEAKER. The gentleman from Oregon [Mr. HAWLEY] asks unanimous consent that the House insist on the disagreement to the balance of the amendments, which are of a clerical nature. Is there objection?

There was no objection.

The clerical amendments referred to are as follows:

Amendments Nos. 40, 41, 42, 43, 48, 49, 65, 66, 67, 374, 375, 377, 379, 380, 381, 383, 385, 386, 387, 389, 396, 397, 398, 399, 901, 902, 905, 906, 907, 908, 909, 910, 911, 913, 914, 915, 916, 917, 919, 920, 921, 922, 923, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 940, 942, 945, 946, 947, 948, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 987, 989, 992, 993, 995, 997, 999, 1002, 1003, 1008, 1009, 1010, 1012, 1013, 1014, 1015, 1016, 1017, 1018, 1019, 1020, 1021, 1022, 1023, 1024, 1025, 1026, 1027, 1028, 1029, 1031, 1032, 1033, 1034, 1036, 1037, 1038, 1039, 1040, 1041, 1046, 1047, 1048, 1049, 1050, 1051, 1052, 1053, 1055, 1057, 1058, 1059, 1060, 1061, 1062, 1063, 1064, 1066, 1067, 1068, 1070, 1071, 1072, 1074, 1075, 1076, 1077, 1078, 1079, 1080, 1081, 1082, 1085, 1086, 1087, 1089, 1090, 1094, 1096, 1098, 1099, 1102, 1103, 1104, 1105, 1109, 1111, 1112, 1156, 1157, 1171, and 1179.

EXTENSION OF REMARKS—THE TARIFF

Mr. HAUGEN. Mr. Speaker, not desiring to impose upon the limited time allotted to others, I shall avail myself of the privilege granted to extend my remarks to briefly discuss the tariff debenture, and to call attention to the operations of the Federal Farm Board. Not with a view of criticizing the make-up of the board, but on the contrary, in my opinion, President Hoover undoubtedly exercised great care and good judgment in the selection of energetic men of high standing and experience, to constitute the Federal Farm Board.

Notwithstanding the wise selection, all that was expected may not have been accomplished. I believe that the board has been helpful in maintaining prices over what they would otherwise have been. I believe it is fair to assume with the depressed condition of the stock and money markets last December, had it not been for the board stabilizing the price of wheat, the price would have gone lower, which I believe is also true in the case of cotton, butter, and other commodities.



Why the failure of the board to "maintain advantageous domestic markets and to prevent surpluses from unduly depressing the prices received for the commodity," as directed in the agricultural marketing act? Evidently, the board was assigned a big task—to do the impossible.

Evidently the experience of the board, and all who have tried it, has demonstrated to the satisfaction of the board that in order to carry out the declared policy of the agricultural marketing act, to "maintain advantageous domestic markets and prevent the surplus from unduly depressing the price received for the commodity," can only be accomplished through control of the whole production or curtailment of production, or through a subsidy.

The board was given the task to make the provisions of the agricultural marketing act effective. The act gives the board power, and it makes \$500,000,000 available to carry out the declared policy, and directs specifically to "maintain advantageous domestic markets and prevent speculation and waste and prevent surpluses from causing undue and excessive fluctuations or depressions in the price of the commodity," but it did not provide the board with a yardstick, or a specific plan, for making the tariff effective, as was specifically provided in the McNary-Haugen equalization fee bills, passed in the House three times and in the Senate two times and vetoed by the President.

Due to pressure brought to bear by many who contended that the all-essential, 100 per cent voluntary cooperation in the marketing of agricultural commodities could be effected by the board and the producers, and after being led to believe that if it, or another plan to make the tariff effective was not found by the board, that the cost of making the tariff effective would be borne by the Federal Treasury, although the bills under consideration, with exception of phraseology, were identical in principle with the provisions of previous McNary-Haugen bills, and everything that could have been accomplished under previous bills could be accomplished under the agricultural marketing act except the authorization for the collection and withholding of the equalization fee, the elimination of the equalization plan provision, thus making the required cooperation compulsory, was most reluctantly agreed to by representatives of farm organizations and Members of Congress, advocates of the equalization plan.

It is up to the board in conjunction with the producers to adopt its own plan to do the job as directed. It is the same as giving a contractor a check book, the dimensions of a structure, and an order to make his own plans, specifications, and blue prints. Not the best way of doing it, but many contended and believed it could be done, and therefore it was reluctantly agreed to, and as a result the board was charged with the responsibility of making out its own plan and in conjunction with the producers to effect the required 100 per cent cooperation and control of the commodity necessary to maintain advantageous domestic markets—in other words, to make the tariff effective.

Unfortunately experience has demonstrated beyond a doubt that because of the large number of producers of agricultural commodities voluntary cooperation to effect a balanced production, or the pooling of the whole production of agricultural commodities, can not be accomplished. Either of the two is, of course, absolutely essential to carry out the declared policy of the act—that is, "To maintain advantageous domestic markets and to prevent surpluses from causing undue and excessive fluctuations or depressions in prices for the commodity." In other words, to make the tariff effective as directed in the agricultural marketing act.

Mr. C. C. Teague, president of the California Fruit Growers' Exchange and California Walnut Growers' Association, the most successful of all organizers, tried it out in organizing the citrus and walnut growers and succeeded in controlling about 75 per cent of the production of citrus fruit and 85 per cent of the walnuts; and when asked the question, "Did you have any trouble with the other 25 per cent?" Mr. Teague's answer was, "Yes; they are out fighting us all the time." And when asked if he had any suggestions to offer whereby it might be possible to make the other 25 per cent cooperate he answered frankly, "No, sir; I do not think that would be possible." (See Hearings, Serial A, part 9, April 4 and 5, 1929, Agricultural Relief.)

No; practically all recognize that, because of the large number of producers, voluntary pooling of the whole production can not be accomplished. Many excellent men have put forth their best efforts to secure voluntary pooling in wheat and other commodities, in fact, all have failed in their efforts, and given up in despair.

On the other hand, organized industry, with fewer numbers, has succeeded in pooling its whole production, and taking benefit of the tariff. Labor, through its strong organization and the Adamson Act, has been enabled to influence the wage scale, and the Federal reserve banks, through the Federal Reserve

Board through its control of the volume of flow of currency, has, and is, in position to influence the rate of interest.

What is true in respect to the ability of the producers to organize to pool the whole production, is equally true in respect to the curtailment of production. It is an old story. To my certain knowledge, the curtailment of crops has been discussed privately and publicly, in the red schoolhouses, at the corner stores, at the forks of the roads, in fact, at the county, State, and national conventions, in connection with agricultural problems. It is common knowledge that producers in large numbers have gathered at places of assemblage, solemnly resolving to reduce acreage and curtail production, returning home with the firm determination to increase acreage and speed up production.

Mr. C. C. Teague, a gentleman of experience in the marketing and pooling of agricultural commodities, and now a member of the board, due to his experience, recognizing the fact that a hundred per cent voluntary pool can not be accomplished, has proposed for the California grape growers a program involving in effect the equalization-fee plan. The plan, as outlined by Mr. Teague, provides that the owners of the vineyards representing 85 per cent of the grape production of California, sign a 10-year contract, to pay the control board, through their local cooperatives, a stabilization fee of \$1.50 a ton on the entire production of their vineyards. It is estimated that the capital or stabilization fund so created would produce an annual fund of \$2,550,000, or more than \$25,000,000 in 10 years. With this fund, the control board would buy surplus grapes wherever and whenever they were interfering with the maintenance of reasonable market conditions with respect to the sale of the balance of the crop.

I hold in my hand a copy of Wallace's Farmer and Iowa Homestead, issue of April 12, 1930, and on page 6 thereof will be found an article entitled "Equalization Fee Revived by Board," which I ask may here be inserted, and which gives in greater detail the information in regard to the plan.

#### EQUALIZATION FEE REVIVED BY BOARD—FARM BOARD'S PLAN FOR GRAPES USES OLD McNARY-HAUGEN PRINCIPLE

WASHINGTON, D. C.—Within eight months of its inception, the Federal Farm Board has proposed for the California grape growers a program almost identical with the surplus-control measure Congress tried eight years to enact.

It involves, in effect, the equalization-fee principle of the old McNary-Haugen bill.

The board takes no official cognizance of the similarity, but the facts speak for themselves. It was the essence of McNary-Haugenism that "the commodity served pay for the removal of its own surplus." The board proposes that a fee of \$1.50 a ton be collected on grapes as they pass through the "bottle necks" of trade, the accumulated sum to be used to buy surplus grapes and hold them off the market until it will absorb them at a profitable price.

#### TEN-YEAR CONTRACT TO BE SIGNED

C. C. Teague, board member representing fruits and vegetables, outlined the scheme in an address before a mass meeting of grape growers at Fresno. It provides that the owners of vineyards representing 85 per cent of the grape production of California sign a 10-year contract to pay to a control board, through their local cooperatives, a "stabilization" fee of \$1.50 a ton on the entire production of their vineyards. On option of the signer, withdrawal from the contract would be permitted after the third year.

It is estimated that the capital or stabilization fund so created would produce an annual fund of \$2,550,000, or more than \$25,000,000 in 10 years. With this fund, the control board would buy surplus grapes wherever and whenever they were interfering with the maintenance of reasonable market conditions with respect to the sale of the balance of the crop.

There is an average annual surplus of about 300,000 tons of grapes. The proposed fee system would create sufficient funds each year, the board believes, to remove and control a surplus of 350,000 tons.

Whereas Government funds are being used to effect stabilization of the grain market, it is proposed that the smaller and more compact grape industry finance its own stabilization. It is the first time the celebrated principle of McNary-Haugenism has entered Farm Board operations, and it is applied to the commodity of a State that never was very receptive to the equalization fee.

Evidently a balanced production is beyond the power of the producers, or of the Congress, or of any human instrumentality. It can only be accomplished through the elimination of bugs and pests and through an alliance with Providence, the controlling factor in the control of the sun, rain, heat, cold, droughts, storms, floods, and the many other items that affect production or yield.

Being the proud possessors of the bread basket of the world, the responsibility is upon us, being humane and charitably in-

clined, to supply not only our 150,000,000 people but people of the world not so fortunate as we are. Even though it were possible, to reduce our production in order to eliminate crop surplus would be nationally unwise, economically unsound, and impossible in practice.

No; better try out some workable plan less expensive and hazardous. Judging from reports the board's expense in its operations in wheat, if closed at this time, would cost the Government many millions of dollars. Had the board and producers been in control of the marketing of the whole production of wheat, instead of stabilizing the price at \$1.25 Minneapolis and taking a loss of many millions of dollars, it could have stabilized the price at the competitor—Winnipeg, Canada—price last November at \$1.33 plus 42 cents tariff and freight of 3 cents, or a total of \$1.79. If so, the producers would have received \$1.78 instead of \$1.32, a gain of 46 cents per bushel minus the cost of the equalization fee of less than 12 cents, or, in order to play safe, if it had collected or withheld 16 cents per bushel to pay the cost of equalizing the price, the producers would then have been 30 cents a bushel ahead, and, if applied to the whole crop or production, it would have been two hundred and forty millions ahead for the 1929 crop, and not only would the producers have been two hundred and forty millions ahead but also the revolving fund would have undoubtedly been millions of dollars ahead.

Had the board stabilized the price of butter last November, at the competing price (Copenhagen) \$0.3872, plus the tariff of 12 cents and freight of 1 cent, the producers would have received \$0.5172 instead of the New York price of \$0.4238, a gain of \$0.0936 per pound, minus the cost of equalizing the price, amounting to a small fraction of 1 mill. The producers, after paying the equalization fee, would have been more than 9 cents per pound ahead. If applied to the whole 1928 production, or more than 2,000,000,000 pounds, they would have been ahead some one hundred and eighty million dollars.

In case of corn, our competitor (Buenos Aires) price is \$0.824, plus the tariff of 15 cents, export tax of 2 cents, ocean freight \$0.1125, or a total of \$1.1065, instead of the Chicago price of 88 cents, or a difference of \$0.2265, or a net gain, after deduction of the cost of equalizing the price, of less than 2 mills per bushel, of more than 22½ cents per bushel, and if applied to the 1929 production of two and a half billion bushels, they would have been more than \$500,000,000 ahead.

Better try a more effective plan, the equalization-fee plan, one tried and found fruitful of good results.

Balanced production on wheat and corn can better be accomplished through giving proper tariff protection, to production of sugar beets, blackstrap molasses, casein, and vegetable and animal oils or food oils, and to thus devote corn and wheat acreage to the planting of beets, and to pay the millions of dollars annually into the pockets of the American beet growers, rather than to pay the \$161,191,100 for 6,651,892,703 pounds of sugar now paid to Cuba and the Philippines and foreign countries.

If 40,000,000 bushels of corn is substituted for 240,000,000 gallons of blackstrap molasses imported and used in the manufacture of commercial alcohol, to say nothing of the 92,500,000 gallons used in the manufacture of feed, it would dispose of our 25,000,000 bushels surplus corn problem. Substitute casein made out of American milk, now going into the sewers, for the imported casein, and substitute domestic butter, milk, and cream for ingredients produced outside of the continental limits of the United States; apply the equalization-fee plan, and make the tariff effective and establish an embargo whenever necessary to carry out the plan, then you have solved not only the domestic surplus problem in the corn and dairy industry but in a degree also the surplus in wheat.

Unfortunately, it is not provided for in the tariff bill. Also another bill, H. R. 6, introduced by me, which passed the House on February 6, 1930, to bring the so-called cooking compounds within the definition of oleomargarine, subjecting them to regulation and tax, is still pending, and now that only a few days remain before adjournment, there may be some doubt about its passage. The manufacture of butter substitutes out of coconut oil, etc., may continue without regulation or taxation, and the dairyman will continue in competition with the Filipino up the tree.

In this connection I shall avail myself by inserting a portion of my remarks while the bill was under discussion.

Recently a new substitute for butter and oleomargarine has been placed upon the market—sold in large quantities—disguised and sold under numerous and various names, and generally referred to as cooking compounds, made largely from coconut oil, imported from outside the continental limits of the United States, mixed with a small portion of peanut oil, salted, and colored, sold in pound, half-pound, and quarter-pound packages of the same size and appearance as butter and oleomargarine.

The purpose of it, the so-called oleomargarine bill, is to do away with an unjust practice, and to permit the manufacture and sale of one product, the so-called cooking compounds, scot-free of tax and regulation, over another taxed product subject to Federal sanitary regulations and to remove the discrimination in favor of one product composed of ingredients produced outside of the continental limits of the United States, as against products composed of ingredients produced within the United States. In other words, to do away with an apparent rank injustice to worthy and legitimate domestic industry, the cottonseed industry and the dairy industry of our country.

The so-called cooking compounds are largely made of the same materials as oleomargarine, except that they are mixed and emulsified in water instead of in milk or cream. The processing and equipment used in the manufacture of oleomargarine and the so-called cooking compounds are identical. Any plant equipped to manufacture oleomargarine can be changed over, without expense, to manufacture these cooking compounds. All the equipment that is required is a mixing machine and a molding machine. The fats are heated and then mixed in cold water in a comparatively inexpensive machine, which agitates the fats in the cold water.

A firm in Kansas City started in making these products in an old barn and has developed a good-sized business, more than 100,000 pounds a month.

The substitute is made and sold free of taxes, sanitary regulations, and supervision, and no license required.

This butter substitute is composed principally of coconut oil, with a market price of 10 cents a pound, produced outside of the continental limits of the United States and, as stated, free from payment of tax—not subject to sanitary regulations in its manufacture, and no license required for the sale.

There are two competing articles or products—colored oleomargarine and butter.

Production of oleomargarine in 1929, as shown in September report, was 16,305,863 pounds colored and 316,815,588 pounds uncolored.

Butter, the competing article, is made under supervision and sanitary regulations, and so forth. Production in the United States in 1927 was 2,097,712,000 pounds.

Renovated butter is also taxed and supervised.

Notwithstanding that the materials and processing and equipment used in the manufacture of oleomargarine and the so-called cooking compounds are identical, the courts have held that the cooking compounds are not clearly within the definition of the oleomargarine law.

Oleomargarine is defined by Federal and State statutes, and is subject to one-quarter of 1 cent per pound uncolored and 10 cents per pound colored.

Butter, adulterated butter, and processed and renovated butter are defined in the amendment of May 9, 1906, to the original oleo act of August 2, 1886.

Adulterated butter is taxed 10 cents per pound, about \$500,000,000, the same as oleo.

Wholesalers are required to keep books and render returns to the Commissioner of Internal Revenue, and renovated-butter factories are subject to sanitary regulations.

Processed or renovated butter is subject to one-quarter of 1 cent per pound tax.

Manufacturers of oleo are subject to \$600 license.

Wholesale dealers in oleo are subject to \$480 license for colored and \$200 for uncolored.

Retail dealers in oleo are subject to \$48 license for colored and \$6 for uncolored.

Manufacturers of processed butter are subject to \$50 license, and dealers are not licensed.

A pound of yellow oleomargarine, a pound of yellow butter, or a pound of yellow nut products "cooking compounds" can not be distinguished from each other in appearance or in texture by the ordinary buyer.

Cooking compounds have no regulations of any kind, such as are imposed upon oleomargarine or butter.

The purpose of the bill is to classify cooking compounds "nut products" as oleo and place it under the Internal Revenue and Department of Agriculture regulation and supervision.

It is estimated that production has increased to 30,000,000 pounds of these so-called cooking compounds, which if taxed at 10 cents per pound would have enriched the Federal Treasury to the extent of \$3,000,000 in taxes alone, not to mention the great amounts which would have been paid in licenses to manufacture and sell.

The current price of butterfat throughout the country recently is approximately 43 cents per pound.

The price of oleomargarine varies, according to the amount of cream or milk used, ranging from 20 to 40 cents per pound.



These cooking compounds, supposed to be for the purpose of shortening and to take the place of lard, sell here in Washington for from 25 to 35 cents per pound.

Lard, a much superior shortening, ranges from 11 to 13 cents per pound.

Undoubtedly much of these compounds are sold as oleo or butter at exorbitant prices and at enormous profits. Not because they are better than lard, but by virtue of their being made to imitate butter and oleo and consumers made to believe that they are butter or oleomargarine.

As previously stated, to me it seems a rank discrimination to permit the manufacture and sale of a product composed of ingredients produced outside of the continental limits of the United States tax free, and free from supervision or regulation of any kind, and to tax products composed of ingredients produced in the United States and subject them not only to taxes, but Federal and State regulation.

It is unnecessary to say it is unfair that the American dairyman, setting out early and late 365 days in the year with lantern in hand, feeding his cows, milking, churning, and hauling his cream to the market, and selling it in competition with foreign products produced by underpaid labor, as for instance the coconut picked by the Filipino in the tree, and selling it on the American market free of duty. It seems a rank injustice to put the American farmer on his milking stool up against the half naked, underpaid Filipino in the coconut tree.

The difficulties of agriculture are acute, and of long standing, and most difficult to overcome, and considering the short space of time since the board was created, naturally all has not been accomplished that might have been expected. However, with the authority vested in the board, and the funds placed at its command, and the make-up of the board, and if the producers will cooperate as provided in the act, and if all do their part, which is absolutely essential to carry out the purposes of the act, the rehabilitation of agriculture will have taken a long step forward, and much will have been accomplished to bring about the promised restoration of equality between agriculture and industry. In short, the outcome rests with not only the board but also the producers—in other words, the responsibility of carrying out the declared policy of Congress rests with the board—the responsibility of 100 per cent cooperation, essential to effectively carry out the policy, rests with the producers.

If the board and producers fail in the all-essential to accomplish the 100 per cent pool, it can be accomplished by granting the board the power and directing it to collect or withhold an amount to cover the cost of equalizing the price and to pay each producer his ratable share of the profits therefrom, as provided in the previous McNary-Haugen bills. The question, then, is, Will Congress relieve the board and the producers of the responsibility of effecting the 100 per cent pool, the all-essential, and prescribe a workable plan—one that has been tried and proven effective by organized industry, labor, and other activities, or will it, as suggested in the Senate amendment to the tariff bill, authorize the payment of debentures?

If so, and if made mandatory on the board to apply the debenture plan, and the tariff rates were to be paid in full, instead of one-half as suggested, and assuming that the debenture paid would advance the price of commodities to the full extent of the tariff rate, it would, of course, make the tariff effective and redeem party platform pledges in that respect. If producers of wheat were paid the present rate of duty of 42 cents per bushel on wheat, and assuming the price of the whole production of 806,000,000 bushels would advance 42 cents per bushel, then the producers would receive \$338,000,000 more, and if paid 15 cents a bushel on corn on the two and one-half billion bushels produced they would receive \$375,000,000 more, and the producers of butter, if paid the tariff rate of 15 cents on the whole production of butter, would have received \$300,000,000 more, or a total on the three commodities of \$1,013,000,000. If only paid one-half the tariff rates as suggested, it would be \$506,500,000. But according to the Tariff Commission's report of debentures payable under the Senate amendment to the tariff bill, H. R. 2667, printed in the CONGRESSIONAL RECORD, page 6960, April 11, 1930, the cost of debentures payable on corn would be \$2,530,895, and on corn products such as corn meal, hominy, and corn grits, and so forth, \$452,672, or a total of \$2,983,567; the cost on wheat would be \$18,927,216; wheat flour, \$13,925,795; or a total of \$32,853,011. No report on butter, as there were no exports during that year. All of which would be at the expense of the Federal Treasury.

The question is, Why should the Government be put to the expense of paying out in debentures on these three commodities \$35,000,000 and the producers receive \$1,011,000,000, if under the equalization plan the producers would receive \$920,000,000 more and the Federal Treasury be ahead \$35,000,000?

In my opinion, the equalization-fee plan is much to be preferred. The producers and their representatives testifying before the committee, with one exception, have not asked for a subsidy. All have made it clear that they were not asking for charity. They simply asked for what they have been promised by practically all the political parties, their just dues, that they be placed on an equality with other industries; that they be given the benefit of our protective laws. Their demand has been that the pledges made be redeemed.

In the agricultural marketing act the board and the producers were given the necessary funds and power by Congress to give the producers the benefit of the protective laws; but instead of providing the board with a specific plan, a yardstick, as provided in the previous McNary-Haugen bills, Congress placed the responsibility upon the board to adopt its own plan, and upon the producers the responsibility to effect 100 per cent cooperation. If 100 per cent voluntary cooperation required can not be accomplished, and the board fails in its efforts to adopt a workable plan to carry out the declared policy to make the tariff effective, then Congress should supply, as was done in the previous McNary-Haugen equalization fee bills, a plan to effect 100 per cent cooperation and to make the tariff effective.

Any amendment to the pending bill to amend the agricultural marketing act would be subject to a point of order. Evidently nothing by way of further farm relief legislation can be brought about, at least at this session of Congress. The only thing before Congress, and the only thing likely to come up, at least this session, is the debenture plan, now before us.

Although it is not the most advantageous and equitable plan, and though it is the most expensive plan, it will, in a degree, redeem party platform pledges and give the board the power to invoke the debenture in case the board and the producers fail in their efforts to effect the required voluntary cooperation and curtailment of production, and if the board fails in its effort to adopt a workable plan to carry out the declared policy to make the tariff effective on agricultural commodities, and as the debenture plan is the only plan before us, and the only one likely to come before us now or in the near future, there seems only one thing to do—to vote for it.

If adopted as presented, it will be optional with the board to adopt the proposed debenture plan, or if it succeeds in working out an equalization plan, a more equitable and less expensive plan, to adopt it. It should, of course, select the best plan of all plans suggested.

Acting upon the suggestion that a list of bills reported by the Committee on Agriculture, of which I have the honor to be chairman, and which have been enacted into law in the 11 years in which the Republican Party have been in the majority, be printed in the RECORD for the information of those inclined to believe that Congress has been derelict in its duty in legislating in the interest of agriculture, I append hereto such list:

FIRST, A LIST OF 17 IMPORTANT BILLS, INTRODUCED AND SPONSORED BY ME, AND WHICH HAVE BECOME PUBLIC LAW

H. R. 7893, Public, No. 450, by Mr. HAUGEN, Sixty-sixth Congress, a most important amendment to the food control act, to permit collective bargaining by any cooperative association of farmers, which relieved farmers from persecution and unwarranted prosecution so unjustly imposed upon them from coast to coast; relieving them from fighting lawsuits at great expense, to justify or defend their right to make collective sales.

H. R. 7413, Public, No. 22, by Mr. HAUGEN, Sixty-sixth Congress, which required the marking of the net weight on wrapped hams and bacon, thus guaranteeing full weight to the consumer and obviating deception.

H. R. 8624, Public, No. 63, by Mr. HAUGEN, Sixty-sixth Congress, the District of Columbia rent act, establishing a rent commission to regulate rents in the District of Columbia.

H. R. 444, Public, No. 109, by Mr. HAUGEN, Sixty-sixth Congress, dealing with the supply and price of sugar.

H. R. 12272, Public, No. 234, by Mr. HAUGEN, Sixty-sixth Congress, the Agricultural appropriation bill for 1921 eliminated and reduced many useless appropriations; it carried a reduction of \$2,185,327 under the bill of 1920.

H. R. 12053, Public, No. 519, by Mr. HAUGEN, Sixty-seventh Congress. To define butter, and to provide standards therefor. Sets up a single standard of butter for the enforcement of the food and drugs act.

H. R. 6320, Public, No. 51, by Mr. HAUGEN, Sixty-seventh Congress, the packers and stockyards act, to place under Government regulation and supervision of the Secretary of Agriculture, giving exclusive jurisdiction over the stockyards as well as the packers.

H. R. 5791, Public, No. 89, by Mr. HAUGEN, Sixty-eighth Congress. To free certain Southern States from the cattle tick.

H. R. 5946, Public, No. 87, by Mr. HAUGEN, Sixty-eighth Congress. For the protection of wild game.

H. R. 7113, Public, No. 156, by Mr. HAUGEN, Sixty-eighth Congress. To establish a dairy bureau in the Department of Agriculture.

H. R. 7893, Public, No. 450, by Mr. HAUGEN, Sixty-ninth Congress. Establishes a division of cooperative marketing in the Department of Agriculture, which renders assistance to cooperative associations through the dissemination of crop and market information.

H. R. 7818, Public, No. 180, by Mr. HAUGEN, Sixty-ninth Congress. Amending the packers and stockyards act, so that the weighing of livestock at a stockyard is conducted by a duly authorized agency of the State.

S. J. Res. 78, Public Resolution No. 14, by Mr. HAUGEN, Sixty-ninth Congress. To allow the States to quarantine against shipment therein or through the States of plants or plant products and other articles found to be diseased or infected.

H. R. 484, Public, No. 327, by Mr. HAUGEN, Seventieth Congress. To amend section 10 of the plant quarantine act, which gives authority to stop in movement quarantined articles which are pest carriers.

H. J. Res. 127, Public Resolution 127, by Mr. HAUGEN, Sixty-eighth Congress. Transfers to the Department of Agriculture control of reindeer in Alaska, which have become the chief source of food supply.

H. R. 1, Public, No. 10, by Mr. HAUGEN, Seventy-first Congress. Establishes a Federal Farm Board to aid in the orderly marketing, and in the control and disposition of the surplus of agricultural commodities in interstate and foreign commerce. The act is similar in principle to the farm relief bill passed in the House three times and Senate twice, and the aim of the bill is to enable the farmer to market his commodities in his own way, at an American price level.

To relieve the depressed condition in agriculture. To do for the farmers what was done for others by the enactment of the Federal reserve act, the railroad act, the Adamson law, the restricted immigration act, and the many acts extending aid, assistance, and relief to numerous other activities; to afford the farmer the advantages, aid, and opportunities extended to others. In short, a fair and square deal to all; nothing more, nothing less.

H. J. Res. 215, Public Resolution 25, by Mr. HAUGEN, Seventieth Congress. To authorize the Secretary of Agriculture to accept a gift of certain lands in Clayton County, Iowa, enabling the Secretary to accept a gift of 488 acres, which embraces the famous Pikes Peak, an excellent lookout point, for the purposes of the upper Mississippi River wild life and fish refuge act, Public Resolution 25.

SECOND, A LIST OF IMPORTANT BILLS, INTRODUCED AND SPONSORED BY ME, WHICH HAVE PASSED THE HOUSE

H. R. 487, by Mr. HAUGEN, Seventieth Congress, passed House March 14, 1928. To amend pure food and drugs act.

H. J. Res. 140, by Mr. HAUGEN, Seventieth Congress, passed House March 7, 1928, which provides for the inspection, safe handling, and safe transport of horses, sheep, goats, and swine.

H. R. 6, by Mr. HAUGEN, Seventy-first Congress. To amend the definition of oleomargarine to clarify the language of the act, so as to bring a third class of fat compounds made from coconut oil, imported, and peanut oil, under names and disguised as cooking compounds within the definition of oleomargarine, and therefore within the taxing and regulating power of the Bureau of Internal Revenue.

H. J. Res. 153, Seventy-first Congress, correcting section 6, act of August 30, 1890, as amended. Passed House April 7, 1930.

H. R. 9521, Sixty-sixth Congress, by Mr. HAUGEN, passed by the House, limited the time foods could be held in cold storage to one year, also regulating the sanitary conditions of cold-storage warehouses, and requiring report on all foods held in cold storage.

Also, H. R. 8, by Mr. HAUGEN, Seventy-first Congress. To prevent the use of slack-filled packages, which has passed the House four times. A bill to protect against the use of containers misleading to the consumers.

H. J. Res. 200, Seventy-first Congress, by Mr. HAUGEN. Authorizing acceptance of donation of land, buildings, etc., in Caddo Parish, in Louisiana.

THIRD, A LIST OF THE IMPORTANT BILLS INTRODUCED AND SPONSORED BY ME, REPORTED BY THE COMMITTEE, AND AWAITING ACTION IN THE HOUSE

H. R. 7, by Mr. HAUGEN, Seventy-first Congress. Amend United States warehouse act. Reported to House May 1, 1929.

H. R. 10464, by Mr. HAUGEN, Seventy-first Congress. To facilitate and simplify national forest administration.

H. R. 10350, by Mr. HAUGEN, Seventy-first Congress. To transfer certain lands to the Ouachita National Forest, Ark.

H. R. 10782, by Mr. HAUGEN, Seventy-first Congress. To facilitate and simplify work of the Forest Service.

H. R. 11514, by Mr. HAUGEN, Seventy-first Congress. To define preserve, jam, jelly and apple butter, and provide standards therefor.

H. R. 11789, by Mr. HAUGEN, Seventy-first Congress. To aid in maintenance of engineering experiment stations.

FOURTH, OTHER IMPORTANT AGRICULTURAL BILLS WHICH HAVE BECOME PUBLIC LAW

H. R. 11768, Public, No. 625, Sixty-ninth Congress. To regulate the importation of milk and cream into the United States for the purpose of promoting the dairy industry.

H. R. 15649, Public, No. 594, by Mr. PURNELL, Sixty-ninth Congress. To provide for the eradication or control of the European corn borer.

H. R. 9396, Public, No. 802, Sixty-ninth Congress. To insure farmers' cooperative associations, comprised of producers, the right to own seats on board of trade and exchanges.

H. R. 16470, Public, No. 657, by Mr. O'CONNOR, Sixty-ninth Congress. Amends United States cotton futures act.

H. R. 3890, Public, No. 799, by Mr. LUCE, Sixty-ninth Congress. Establishes a national arboretum, of special benefit to the agricultural interests, horticulture, and forestry.

H. R. 4088, Public, No. 268, Sixty-eighth Congress. To establish the upper Mississippi wild life and fish refuge, comprising 300 miles of bottom lands, along the upper Mississippi, as a breeding place for migratory birds, wild birds, game animals, fur-bearing animals, and for the conservation of wild flowers and aquatic plants.

S. 4224, Public, No. 565, by Mr. Lineberger. For the protection of forest lands, for reforestation of denuded lands, for the extension of national forests in order to promote the continued production of timber on lands suitable therefor.

H. R. 14302, Public, No. 539, by Mr. FULMER, Sixty-seventh Congress. Establishes and provides for the use of official cotton standards.

Also, H. R. 8086, Public, No. 513, Sixty-seventh Congress. To prohibit the shipment of filled milk in interstate and foreign commerce.

Also, H. R. 11396, Public, No. 293, by Mr. HAUGEN, Sixty-seventh Congress. To regulate foreign commerce in the importation into the United States of honeybees.

Also, H. R. 11843, Public, No. 331, by Mr. Tincher, Sixty-seventh Congress. Grain futures act.

S. 2569, Public, No. 178, by Mr. Warren, Seventieth Congress. Providing for horticultural experiment and demonstration work in the semiarid or dry-land regions of the United States.

S. 3194, Public, No. 304, by Mr. COLTON, Seventieth Congress. To establish the Bear River migratory bird refuge.

H. R. 14302, Public, No. 539, Sixty-seventh Congress. Establishes and provides for the use of official cotton standards.

H. R. 271, by Mr. WOODRUFF, Sixty-ninth Congress, passed Senate and House. Making appropriations for carrying out the Weeks Act.

H. R. 10510, Public, No. 712, by Mr. HARE, Sixty-ninth Congress. To prevent the destruction or dumping without good and sufficient cause of farm products by commission merchants and others.

H. R. 405, Public, No. 278, by Mr. GARBER, Seventieth Congress. Providing for horticultural experiment and demonstration work.

H. R. 9495, by Mr. KETCHAM, Seventieth Congress. To provide for the further development of agricultural extension work between the agricultural colleges in the several States receiving the benefits of prior acts.

H. R. 1424, Public Resolution No. 56, Seventy-first Congress. Eradication of Mediterranean fruit fly.

S. J. Res. 117, Public Resolution No. 47, by Senator SMITH, Seventieth Congress. Relief of farmers in storm and drought stricken areas.

H. J. Res. 232, Public Resolution No. 42, by Mr. DOUGLAS, Seventieth Congress. Eradication of pink bollworm.

H. R. 10173, Public, No. 160, Seventy-first Congress. For investigations in cotton ginning.

It has reported and passed numerous bills extending loans to aid farmers and for purchase of seed in drought and storm stricken sections.

It has reported and passed numerous bills authorizing the acquisition of experiment stations.



## FIFTH, 16 OTHER IMPORTANT AGRICULTURAL BILLS WHICH HAVE PASSED THE HOUSE

H. R. 10374, by Mr. WOODRUFF, passed House March 14, 1928, passed Senate May 10, 1928, Seventieth Congress. For the acquisition of lands for an addition to the Beal Nursery at East Tawas, Mich.

S. 1181, by Mr. WOODRUFF, passed House and Senate, Seventieth Congress, and through conference. Authorizing appropriation to be expended under the provisions of the act of March 1, 1911, entitled "An act to enable any State to cooperate with any other State or States for the protection of the watersheds of navigable streams."

H. J. Res. 200, by Mr. ANDRESEN, passed House April 11, 1928, Seventieth Congress. Amending section 10 of the act entitled "An act to establish the upper Mississippi River wild life and fish refuge."

H. R. 7459, by Mr. MORGAN, passed House March 7, 1928, Senate May 10, 1928, Seventieth Congress. To authorize the appropriation for use by the Secretary of Agriculture of certain funds for wool standards, and for other purposes.

H. R. 8130, by Mr. REED, reported to House April 11, 1928, Seventieth Congress. Authorizing the creation of game refuges on the Ouachita National Forest.

H. J. Res. 26, by Mr. HAUGEN, passed House April 2, 1928, Seventieth Congress. Authorizing Secretary of Agriculture to dispose of real property located in Hernando County, Fla., known as Brooksville Plant Introduction Garden.

H. J. Res. 112, passed House January 16, 1928, Seventieth Congress. Amends the act of May 29, 1884, as amended, the act of February 2, 1903, act of March 3, 1905, as amended, to include poultry within their provisions.

H. R. 53, by Mr. Gilbert, Seventieth Congress, passed House March 7, 1928. To provide for the collection and publication of statistics of tobacco by the Department of Agriculture.

H. J. Res. 237, by Mr. BUCHANAN, Seventieth Congress, passed House and Senate May 12, 1928. To provide for eradication of the pink bollworm.

S. 757, passed House May 8, passed Senate March 14, 1928. To extend the benefits of certain acts of Congress to the Territory of Hawaii.

H. R. 12632, by Mr. PURNELL, passed House April 11, 1928, passed Senate April 24, 1928. To provide for the eradication or control of the European corn borer.

H. R. 730, by Mr. MAPES, Seventy-first Congress. Passed House. Amending pure food and drugs act, providing for standards of canned foods, etc.

H. R. 5410, by Mr. KNUTSON, Seventy-first Congress. Passed House. Tree planting in national forests.

H. J. Res. 179, by Mr. ANDRESEN, Seventy-first Congress. Printing 320,000 copies of Special Report on the Diseases of Cattle.

H. R. 2152, By Mr. KETCHAM, Seventy-first Congress. Expanding foreign field service of Department of Agriculture.

S. 108, by Mr. BORAH, Seventy-first Congress. To suppress unfair and fraudulent practices in marketing perishable agricultural commodities.

## SIXTH, 15 OTHER IMPORTANT AGRICULTURAL BILLS REPORTED BY COMMITTEE AND AWAITING LEGISLATIVE ACTION

H. R. 12878, by Mr. WOODRUFF, reported to House April 21, 1928. To insure adequate supplies of timber and other forest products for the people of the United States.

H. R. 13646, by Mr. VINSON of Kentucky, reported to House May 11, 1928, Seventieth Congress. For regulating transactions on cotton futures exchanges.

S. 2030, by Mr. COPELAND. Reported to House May 11, 1928, Seventieth Congress. Provides for research into the causes of poultry diseases, feeding, experimentation, and educational programs.

Also, H. R. 14667, Sixty-sixth Congress, reported out. To regulate grain exchanges, to require grain exchanges to admit to membership on reasonable terms cooperative societies.

H. R. 8981, by Mr. BRAND, Sixty-eighth Congress. Reported out of committee a bill to establish standard weights for loaves of bread, and to prevent fraud in respect thereto.

Also, H. R. 7401, by Mr. STEVENSON, Sixty-seventh Congress. Wheat grades, prescribing standards and grades for spring wheat.

H. R. 13352, by Mr. Little, Sixty-seventh Congress. Reported by committee. Authorizes the Secretary of Agriculture to purchase, store, and sell wheat and secure and maintain to the producer a reasonable price for wheat.

H. R. 7111, by Mr. Kitchin, reported out of committee and passed the House, making more extensively available and expanding the service rendered by the Department of Agriculture

in gathering and disseminating information regarding agricultural production, supply, and demand in foreign countries.

H. R. 252, by Mr. SUTHERLAND, Seventy-first Congress. To facilitate work of Agriculture Department in Alaska. Reported April 21, 1930.

H. R. 9630, by Mr. HAWLEY, Seventy-first Congress. Fire trespass in national forests.

H. R. 10823, by Mr. CHRISTGAU, Seventy-first Congress. Granting right of way for bridge through upper Mississippi wild life and fish refuge.

H. R. 10877, by Mr. CLARKE of New York. For protection of watersheds.

H. R. 11285, by Mr. SUTHERLAND. To amend Alaska game law.

S. 1959, by Mr. FLETCHER, Seventy-first Congress. To create game sanctuaries in Ocala National Forest.

H. J. Res. 307, by Mr. HOPE. Authorizing appropriations for migratory bird conservation act.

In addition 184 bills have been referred to the Committee on Agriculture in this Congress; 37 bills have been reported, of which 18 bills have passed the House, 8 of which have also passed the Senate.

Mr. EDWARDS. Mr. Speaker, to-day I spoke in favor of the debenture and voted with 160 other Members from agricultural districts to put it on as an amendment to the tariff bill. It was voted down, and its defeat in this House, which has a Republican majority of something like 104 Members, is the hardest blow given agriculture in many years.

When the President called the extra session of Congress to consider farm relief the debenture was then urged. The Republicans had the votes, and they wrote the bill. That it has not been administered so as to give the relief agriculture had expected there is no question. It was pointed out a year ago by some of the ablest men of the country that the trouble with agriculture is that the farmers North, East, South, and West are being bled to death with the superprotective high tariff rates on everything they have to buy and use without any compensating increases on farm products. It is well known that a tariff rate on wheat, cotton, or any other largely exportable surplus crop is not and can not be effective without something like the debenture to bring about the boost in rates. In my speech I pointed out that the debenture would mean an increase of \$10 per bale on cotton and that it would increase the price of all our raw farm products and that it would go directly to the farmers.

You say it would be a "bounty." The tariff is nothing but a bounty. You swallow it without any sugar coating, and in this bill you have inflicted upon the people the highest rates ever put into a bill. It will add an enormous cost to necessary living expenses, and it will be that much harder on the great toiling masses of this country, who are being literally enslaved into poverty by such special privileges to the favored few of this country. The wealth of this country is now owned and in the hands of only 5 per cent of the population. This is a serious condition. We need another Andrew Jackson, imbued with a flaming love of the people and of free government, to come on the scene and drive the "money changers" and the "money grabbers" out of their strongly entrenched "special privilege" position and restore this Government to the people, to be administered for the people, by the people, as Washington, Jefferson, and the founders intended it should be.

When and where will this tariff-tax increasing stop? What will it lead to? It has helped a few as compared to the whole, but because of the great inequality between the manufacturers and agriculture it has all but bankrupted the farmers all over the country. Our agricultural population is carrying the big end of the burden with no compensating relief in the tariff. The debenture has been figured out to give relief and in a measure establish equality of agriculture with the other industries. You, who had the votes and the power to grant the farmer this relief which you promised, have broken faith with the man who plows, and you have again tied another knot in the noose that special interests have about the neck of agriculture. What a foolish, short-sighted performance this is for industry to strangle agriculture to death! It is an act that will live to plague you and your offspring, unless this injustice, this reckless wrong to the millions on the farms, is soon corrected. It seems with some it is not how can we help the farmer but how can we best afflict him with additional burdens that the tariff-favored group may grow richer and richer regardless of the misery and absolute suffering of the farm population. Such unfair policy is "sowing to the wind," and you may rest assured you will sooner or later reap an uncontrollable cyclone. Justice is as eternal as the hills. Justice has been denied the agricultural industry in this tariff bill, as in all Republican tariff bills, which are made largely for the manufacturer.

As soon as the farmers of this country learn of this injustice they will take hold of the thing, stand by their real friends, and there will yet, soon I hope, be a tariff bill, just to agriculture, written by a Democratic Congress. The Democratic Party stands for justice to all the people. This Government can not long endure if we depart from the sacred old Jeffersonian doctrine of "equal rights to all and special privileges to none." We must come back to this doctrine and bind it to our hearts and practice it in all phases of our national life, if we would have the "house of our fathers" endure.

#### FARMERS FOR THE DEBENTURE

The National Grange, which is the oldest and perhaps the strongest farm organization of the country, as well as many other farm organizations, have fought for the enactment of the debenture plan. I have received many letters from farmers, cooperatives, and other farm organizations throughout the country commending my course in supporting the debenture. I want to quote one I received under date of May 5, 1930, from the National Grange, which is as follows:

MAY 5, 1930.

HON. CHARLES G. EDWARDS,

House of Representatives, Washington, D. C.

DEAR MR. EDWARDS: Allow me to commend you for voting in support of the debenture amendment to the tariff bill. I assure you that the farmers of the Nation feel that the export debenture is a necessary complement to the tariff structure. It is the only sure way of bringing some tariff benefits to the producers of our staple agricultural crops.

It is interesting to note that the longer the debenture has been debated and discussed, the stronger it has become. The first time it was voted upon it received little support. A year ago it received 113 votes. Last Saturday 161 supported it, indicating a growing sentiment that the debenture program is as defensible as the tariff itself, is in harmony with the present drawback provisions of the tariff, and is no more a subsidy than high or prohibitive tariff rates.

The National Grange has a sincere desire to support legislation that will benefit the agricultural producers in all parts of the Nation and give them equality of opportunity and reward commensurate with those engaged in other callings.

Again assuring you of our appreciation, I remain

Yours sincerely,

L. J. TABER,  
Master, National Grange.

It is good to know our efforts are appreciated. I have always done what I could for the distressed farmers. My sympathies are with them. They need help, but it seems they are doomed to get a "stone" when they asked this administration for "bread." The unhappy conditions of the great toiling masses on the farms must be remedied. It must not be postponed. It is dangerous to the very vitals of our Government for this great industry to remain in its deplorable condition. With wheat selling at \$1 per bushel and cotton lower than it has been in years, with the industry bankrupt, taxes higher than they have ever been, the cost of living high, it presents a sad outlook. As agriculture fails, so will other businesses fail. They are failing fast, all over the country, and it is due to the deplorable condition on the farms. It will grow worse, unless conditions on the farms improve. It is the part of wisdom that we do all we can to remedy this inequality, this gross wrong, this intolerable injustice to agriculture, such as is carried in this tariff bill, just as quickly as it can be done.

#### THE FIGHT MUST CEASE

The fight on agriculture's claims for relief must cease. This fight has come from the high protection centers like New England. Instead of fighting the debenture and other things that would help distressed agriculture, the manufacturing industries that have long fed upon agriculture ought to join hands, in a constructive way, and help reestablish this crippled and almost broken-down industry, without which none of the industries can successfully exist. In asking for the debenture the farmers are asking for only half the benefit that the manufacturers get out of the tariff, yet we find great lobbies here opposing that, and we find courageous Congressmen (?) going through the hoop on the pop of the whip by the tariff bosses. The rate of protection given the special-interest group, as against the consuming masses of this country in the present Hawley-Smoot-Grundy tariff bill, will run from 34 to 40 per cent. There are increases in the present tariff bill on ropes, harness, plows, pitchforks, and almost every other conceivable article used on the farm and in the American home, carrying a tax of from 34 to 40 per cent which is levied upon the consumers for the benefit of the few.

In the South we have to stand that "bounty" with no boost or benefit in return to the people who have to pay it. Our lumber is left, as is nearly every other southern product, without

any rate for revenue or otherwise. As I said before on the floor of the House, the Democratic Party has never been a free-trade party but it has always stood for a tariff for revenue, with whatever incident of protection that might result.

#### TAXES MUST BE REDUCED

Not only must the highly protective, super rates, imposed by the tariff, which is a tax, be reduced, but all other taxes must be reduced. The people are too sorely burdened now with municipal, State, and county taxes, as well as with the tariff tax and income taxes, of all kinds and descriptions. Homes are being sold for taxes, which the people are unable to pay. The cost of Government must be reduced, and the cost of living must be reduced. The people can not and will not stand these intolerable conditions that so sorely afflict them. If this was a Democratic administration it would be called a panic. What are we to call it under the Republican administration? I guess the best name for it is a "superpanic"; since the Republicans are responsible for these depressed conditions.

#### CHIEF QUANAH PARKER

Mr. McCLINTIC of Oklahoma. Mr. Speaker, in a little lonely cemetery called Post Oak Mission, situated near the heart of the Wichita Mountains, close by the old home of Chief Quanah Parker, which is the last resting place of this grand old warrior, will be unveiled to-morrow a monument erected in his honor by the United States Government. Participating at this exercise and delivering the principal address will be the speaker of the house of representatives, J. C. Nance, and Supt. J. A. Buntin, representing the Indian agencies for the Government, and a number of prominent members of both the Comanche and Kiowa Indian Tribes.

Some time ago Congress passed a special law providing for the construction of a beautiful 18-foot granite spire, which has been quarried from the Wichita Mountains near Mountain Park, Okla., some 2 or 3 miles from my home, and I think it is fitting that such a memorial tribute should be placed over the grave of this great Indian character, as he represented a type of the early aborigine, who always did that which he thought best for his own people and later for the United States Government. This monument will be unveiled by his two granddaughters, Alberta Clarke and Rowena Aensnap, in the presence of all his relatives and a number of friends from various sections of the State and Nation.

Quanah Parker's mother was Cynthia Parker, a white woman, captured when a little girl at old Fort Parker, which was formerly located 1 mile from the town of Groesbeck, Tex. I lived within 1 mile of this fort for over 20 years, and it was my privilege to attend school with the white relatives of his mother, and on one occasion I camped the entire summer at the exact spot where the old fort was located while engaged in agricultural pursuits. When I moved to Oklahoma Territory some 28 years ago I became acquainted with this great chief when he was in his prime of life. I knew him as a friend, and on one occasion was instrumental in getting him to bring a number of his people to my home city—Snyder, Okla.—for the purpose of assisting us in a Fourth of July celebration. I know that after he realized that it was useless to further oppose the soldiers of this Government in their efforts to bring about peace between the Indians and the white settlers that he took the right viewpoint of the situation and advised his people to lay down their arms and live with their white neighbors in peace. He was not only faithful to his country but was loyal to his family and the members of his tribe, always striving to bring about conditions that would cause a betterment of those he ruled over.

The old home, which is located at the foothills of the main ridge of the Wichita Mountains, was picturesque from many standpoints. The roof of the old house had stars painted on it in sufficient size so that they could be seen at a great distance. Around the yard was a stockade constructed of 25 or 30 strands of closely stretched barbed wire, thereby providing a refuge for any of those needing help in the days before the country had become properly civilized. Living in the old home is the chief's delightful daughter, who is married to Mr. A. C. Birdsong. Nearly every year I make a pilgrimage to this home, as to me it is one of the prettiest spots in these beautiful mountains, and their hospitality is of the kind that makes any person feel happy.

The chieftain was the father of 21 children, 10 of whom are living. They are Mrs. Emmett Cox, Lawton; Mrs. Weryodah Tam-ek-era, Cache; Wanada Page, Oklahoma City; White Parker, Phoenix, Ariz.; Mrs. A. C. Birdsong, Cache; Len Parker and Tom Parker, both of Cache; and Mrs. E. H. Clark and Mrs. Earl Pardy, both of Lawton.

There are 56 grandchildren and 24 great-grandchildren living.

As a part of history that has never been written and in addition to that which has been published so many times relative to



the recapture of this white girl, Cynthia Parker, the mother of the deceased chief, in whose honor the ceremony will be held to-morrow, I will state that soon after coming to Washington some 16 years ago I located an ex-soldier by the name of Loeffler who was attached to the company of soldiers that accompanied Ex-Governor Ross on his famous expedition which brought back Cynthia Parker as a prisoner captured near the present city of Quanah, Tex. I took a stenographer and went to his home for the purpose of getting his story, and the facts as given to me on that occasion were these: This soldier while riding with his company under General Ross in pursuit of the Comanche Indians raced ahead and overtook an Indian who was riding on horseback with a child on her arm. Seeing that she was a woman, he called back to those behind to not shoot. Then he circled around her and caught the horse and led the same back to the rear, thus resulting in her capture. Cynthia Parker had blue eyes, and it was not but a little while until Governor Ross was apprised of the fact that she was a white woman, and then it dawned upon him that she must be the long-lost child who was captured at old Fort Parker many years ago.

In conclusion, I am pleased to say that during the more than a quarter of a century that I have resided among the Indians in western Oklahoma, I have always found them to be a superior class of citizens in many respects. When it comes to the violation of our laws, I am sure that they are the most observant of any class of people that we have to deal with. Also is this true with respect to sobriety. It is true that they have had to undergo many changes in adapting themselves to the ways of the white people. Yet they have persevered without complaint, striving to adopt the ways of the white man, hoping that their children could be educated in such a way as to take up the responsibilities in the same capacity as others. I am pleased that our Government has seen fit to make it possible that such a monument be erected in honor of this great chief, and to the memory of him and his family I am offering these few words as a last tribute. [Applause.]

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. TUCKER (at the request of Mr. BLAND), for the day, on account of illness.

To Mr. STEVENSON, for two weeks, on account of illness in his family.

#### ADJOURNMENT

Mr. HAWLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock p. m.) the House adjourned until Monday, May 5, 1930, at 12 o'clock noon.

#### COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Monday, May 5, 1930, as reported to the floor leader by clerks of the several committees:

##### COMMITTEE ON INSULAR AFFAIRS

(10.30 a. m.)

To provide for the independence of the Philippine Islands (H. R. 5182).

##### COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(10 a. m.)

To reorganize the Federal Power Commission and to amend the Federal water power act (H. R. 11408).

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

446. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to amend the act approved March 4, 1909, entitled "An act to codify, revise, and amend the penal laws of the United States," more generally known as the Criminal Code; to the Committee on the Judiciary.

447. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Agriculture amounting to \$1,000,000 for the fiscal year 1931 for additional cooperative extension work (H. Doc. No. 387); to the Committee on Appropriations and ordered to be printed.

448. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Treasury Department for the fiscal year 1930, \$272,550, and for the fiscal year 1931, \$1,522,170; in all, \$1,794,720; also drafts of proposed provisions pertaining to existing appropriations (H. Doc. No. 388); to the Committee on Appropriations and ordered to be printed.

449. A letter from the secretary of the Board of Visitors, United States Naval Academy, transmitting report of the Board of Visitors to the United States Naval Academy, 1930, Annapolis, Md.; to the Committee on Naval Affairs.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. KNUTSON: Committee on Pensions. H. R. 12099. A bill to apply the pension laws to the Coast Guard; without amendment (Rept. No. 1374). Referred to the Committee of the Whole House on the state of the Union.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRAND of Georgia: A bill (H. R. 12128) providing for the erection at Crawford, Oglethorpe County, Ga., of a suitable memorial to the memory of William H. Crawford; to the Committee on the Library.

By Mr. SHORT of Missouri: A bill (H. R. 12129) for the control of the destructive flood waters of the United States, and for other purposes; to the Committee on Flood Control.

By Mr. ZIHLMAN: A bill (H. R. 12130) to authorize the transfer of funds from the general revenues of the District of Columbia to the revenues of the water department of said District, and to provide for transfer of jurisdiction over certain property to the Director of Public Buildings and Public Parks; to the Committee on the District of Columbia.

By Mr. COCHRAN of Pennsylvania: A bill (H. R. 12131) granting the consent of Congress to the Commonwealth of Pennsylvania, to construct, maintain, and operate a free highway bridge across the Allegheny River at or near Kittanning, Armstrong County, Pa.; to the Committee on Interstate and Foreign Commerce.

By Mr. DALLINGER: A bill (H. R. 12132) relating to the procurement of materials, supplies, equipment, work, and services by departments, establishments, bureaus, and offices of the Government, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. STOBBS: A bill (H. R. 12133) to amend the act entitled "An act to amend the national prohibition act," approved March 2, 1929; to the Committee on the Judiciary.

Also, a bill (H. R. 12134) to amend the national prohibition act as amended and supplemented; to the Committee on the Judiciary.

By Mr. TAYLOR of Tennessee: A bill (H. R. 12135) to authorize the erection of a monument in memory of Admiral David Glasgow Farragut; to the Committee on the Library.

By Mr. LEHLBACH: A bill (H. R. 12136) to regulate leaves of absence of employees of the navy yards, gun factories, naval stations, and arsenals of the United States Government; to the Committee on the Civil Service.

By Mr. TIMBERLAKE: Joint resolution (H. J. Res. 330) authorizing the restoration of a limitation on the importation, free of duty, of Philippine sugar; to the Committee on Ways and Means.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDRESEN: A bill (H. R. 12137) granting an increase of pension to Isabelle Lansing; to the Committee on Invalid Pensions.

By Mr. BUCKBEE: A bill (H. R. 12138) granting an increase of pension to Maria Briggs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12139) granting an increase of pension to Henrietta B. Morse; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12140) granting an increase of pension to Olive Newton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12141) granting an increase of pension to Luca F. Orr; to the Committee on Invalid Pensions.

By Mr. CABLE: A bill (H. R. 12142) granting a pension to Sarah Anna Jones; to the Committee on Invalid Pensions.

By Mr. DENISON: A bill (H. R. 12143) granting a pension to Lucy Manis; to the Committee on Invalid Pensions.

By Mr. EATON of New Jersey: A bill (H. R. 12144) granting an increase of pension to Sarah V. Sharp; to the Committee on Invalid Pensions.

By Mr. FINLEY: A bill (H. R. 12145) granting a pension to Virgil L. Davis; to the Committee on Pensions.

Also, a bill (H. R. 12146) granting a pension to Roy Webb; to the Committee on Pensions.

Also, a bill (H. R. 12147) granting an increase of pension to Alice Roberts; to the Committee on Pensions.

By Mr. HAMMER: A bill (H. R. 12148) for the relief of Charles C. Bennett; to the Committee on Claims.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 12149) for the relief of Ralph E. Williamson for loss suffered on account of the Lawton, Okla., fire, 1917; to the Committee on Claims.

By Mr. KIESS: A bill (H. R. 12150) granting a pension to Hazel Stover; to the Committee on Pensions.

By Mr. KINZER: A bill (H. R. 12151) granting an increase of pension to Rachel Harlan; to the Committee on Invalid Pensions.

By Mr. MAAS: A bill (H. R. 12152) for the relief of May Dorwin; to the Committee on Claims.

By Mr. MANLOVE: A bill (H. R. 12153) granting an increase of pension to Mary Antle; to the Committee on Invalid Pensions.

By Mr. MERRITT: A bill (H. R. 12154) granting an increase of pension to Nettie Pixley; to the Committee on Invalid Pensions.

By Mr. MOORE of Virginia: A bill (H. R. 12155) for the relief of John F. Buckner; to the Committee on Claims.

By Mr. MOUSER: A bill (H. R. 12156) granting an increase of pension to Ida B. Holdridge; to the Committee on Invalid Pensions.

By Mr. O'CONNOR of Oklahoma: A bill (H. R. 12157) authorizing the President of the United States to posthumously present in the name of Congress a congressional medal of honor to Capt. William P. Erwin; to the Committee on Military Affairs.

By Mr. PALMER: A bill (H. R. 12158) authorizing the Secretary of the Treasury to refund to the so-called assistant directors in the public schools of the District of Columbia, divisions 10-13, all that portion of their salaries erroneously and illegally deducted and withheld under the provisions of the act of June 20, 1906; to the Committee on the District of Columbia.

By Mr. PARKER: A bill (H. R. 12159) granting an increase of pension to Sarah I. Winchel; to the Committee on Invalid Pensions.

By Mr. HARCOURT J. PRATT: A bill (H. R. 12160) granting an increase of pension to Elsie E. De Graff; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 12161) granting an increase of pension to Mary A. Cromie; to the Committee on Invalid Pensions.

By Mr. SUTHERLAND: A bill (H. R. 12162) for the relief of Ned Bishop; to the Committee on the Territories.

By Mr. THOMPSON: A bill (H. R. 12163) granting an increase of pension to George Sheffield; to the Committee on Pensions.

By Mr. WELSH of Pennsylvania: A bill (H. R. 12164) for the relief of Walter B. Megee; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7199. By Mr. BRUNNER: Petition of the Central Queens Allied Civic Council (Inc.), Jamaica, N. Y., urging Congress to pass favorably at an early date House bill 712, commonly known as the 44-hour bill; to the Committee on the Civil Service.

7200. By Mr. CAMPBELL of Iowa: Petition of the common council of the city of Cherokee, Iowa, memorializing Congress to enact House Joint Resolution 167, directing the President of the United States to proclaim October 11 of each year a General Pulaski memorial day; to the Committee on the Judiciary.

7201. By Mr. CULLEN: Petition of the Members of the House from Brooklyn, N. Y., and the two New York Senators for the authorization to proceed with the completion of naval work at the Brooklyn Navy Yard in order to speedily relieve the unemployment situation for the workmen of the Brooklyn Navy Yard who have been discharged pending the continuing of this work; to the Committee on Naval Affairs.

7202. By Mr. FULMER: Resolution passed by the South Carolina Bar Association, J. M. Cantey, jr., secretary, in behalf of hospital bill, H. R. 9411; to the Committee on World War Veterans' Legislation.

7203. By Mr. GARBER of Oklahoma: Petition of Local Order Branch 858, National Association of Letter Carriers, Enid, Okla., urging consideration of House bill 6603; to the Committee on the Post Office and Post Roads.

7204. By Mr. MANLOVE: Petition of John M. Graeve, 2629 South Lloyd Street, Philadelphia, Pa., and 33 other citizens of Pennsylvania and New Jersey, urging Congress to speedily pass the Manlove bill, H. R. 8976, for the relief of veterans and

widows and minor orphan children of veterans of Indian wars; to the Committee on Pensions.

7205. Also, petition of E. H. Barstow and 113 other citizens of Novato, Calif., urging Congress to speedily pass the Manlove bill, H. R. 8976, for the relief of veterans and widows and minor orphan children of veterans of Indian wars; to the Committee on Pensions.

7206. By Mr. SUMMERS of Washington: Petition signed by Nesmith Ankeny, E. L. Yeager, H. A. Brockman, George Roff, and other citizens of Walla Walla, Wash., in support of legislation proposed to increase the pension of Spanish War veterans and widows of veterans; to the Committee on Pensions.

7207. Also, petition signed by Anton Bednarz, Russell W. Larson, Charles Hammer, Albert Elliott, and other citizens of Yakima County, Wash., in support of legislation proposed to increase the pension of Spanish War veterans and widows of veterans; to the Committee on Pensions.

#### SENATE

MONDAY, May 5, 1930

(Legislative day of Wednesday, April 30, 1930)

The Senate met at 12 o'clock meridian in open executive session, on the expiration of the recess.

The VICE PRESIDENT. The Senate, as in legislative session, will receive a message from the House of Representatives.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Farrell, its enrolling clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate Nos. 195, 369, 370, 372, 373, 376, 394, 395, 396, 1035, and 1092 to the said bill, and concurred therein; that the House insisted upon its disagreement to the amendments of the Senate to the said bill relating to matters of substance Nos. 364, 371, 885, 893, 903, 904, 1004, 1006, 1001, 1003, 1095, 1128, 1129, 1130, 1131, 1132, 1133, 1134, 1135, 1138, 1139, 1140, 1141, and 1151; and that the House insisted on its disagreement to the amendments of the Senate to the said bill of a clerical nature Nos. 40, 41, 42, 43, 48, 49, 65, 66, 67, 374, 375, 377, 379, 380, 381, 383, 385, 386, 387, 895, 896, 897, 898, 899, 901, 902, 905, 906, 907, 908, 909, 910, 911, 913, 914, 915, 916, 917, 919, 920, 921, 922, 923, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 940, 942, 945, 946, 947, 948, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 987, 989, 992, 993, 995, 997, 999, 1002, 1003, 1008, 1009, 1010, 1012, 1013, 1014, 1015, 1016, 1017, 1018, 1019, 1020, 1021, 1022, 1023, 1024, 1025, 1026, 1027, 1028, 1029, 1031, 1032, 1033, 1034, 1036, 1037, 1038, 1039, 1040, 1041, 1046, 1047, 1048, 1049, 1050, 1051, 1052, 1053, 1055, 1057, 1058, 1059, 1060, 1061, 1062, 1063, 1064, 1066, 1067, 1068, 1070, 1071, 1072, 1074, 1075, 1076, 1077, 1078, 1079, 1080, 1081, 1082, 1085, 1086, 1087, 1089, 1090, 1094, 1096, 1098, 1099, 1102, 1103, 1104, 1105, 1109, 1111, 1112, 1156, 1157, 1171, and 1179.

#### ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 3249) to repeal section 4579 and amend section 4578 of the Revised Statutes of the United States respecting compensation of vessels for transporting seamen, and it was signed by the Vice President.

#### CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Allen	Cutting	Hatfield	Overman
Ashurst	Dale	Hawes	Patterson
Baird	Denen	Hayden	Phelps
Barkley	Dill	Hebert	Pine
Bingham	Fess	Howell	Ransdell
Black	Frazier	Johnson	Robinson, Ark.
Blaine	Gillett	Jones	Robinson, Ind.
Borah	Glass	Kendrick	Schall
Bratton	Glenn	Keyes	Sheppard
Brock	Goldsborough	McCulloch	Shipstead
Broussard	Gould	McKellar	Simmons
Capper	Greene	McNary	Smoot
Caraway	Hale	Metcalf	Steck
Connally	Harris	Norris	Steiwer
Copeland	Harrison	Nye	Stephens
Couzens	Hastings	Oddie	Sullivan